

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

AGENCY

California Department of Social Services

(See instructions on reverse)

Original
For use by Secretary of State only

CERT

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER	AGENCY FILE NUMBER (if any)
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				93-0621-04E

For use by Office of Administrative Law (OAL) only

ENDORSED
APPROVED FOR FILING
AND PUBLICATION

DEC 13 1993

Office of Administrative Law

NOTICE

REGULATIONS

FILED

Office of the Secretary of State
State of California

DEC 1 4 1993

4:19 O'clock A.M.
MARCH FONG EU, Secretary of StateBy Cynthia J. Pace
Deputy Secretary of State

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
Jacobson v. McMahon Anderson				
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified	<input type="checkbox"/> Disapproved/Withdrawn	NOTICE REGISTER NUMBER 93-1025-2	PUBLICATION DATE 11-9-93

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S)	ADOPT MPP	Section 50-023 et seq.
SECTIONS AFFECTED	AMEND	
	REPEAL	

2. TYPE OF FILING

<input type="checkbox"/> Regular Rulemaking (Gov. Code, § 11346)	<input type="checkbox"/> Resubmittal	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)	<input type="checkbox"/> Emergency (Gov. Code, § 11346.1(b))
<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.			

 Print Only Other (specify) _____3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)
Not Applicable

4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

 Effective 30th day after filing with Secretary of State Effective on filing with Secretary of State Effective other (Specify) _____

5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

 Department of Finance (Form STD. 399) Fair Political Practices Commission State Fire Marshal Other (Specify) _____6. CONTACT PERSON
Frank Vitulli, Asst. Bureau Chief, Regulations Development BureauTELEPHONE NUMBER
(916) 657-2586

7. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE



TYPED NAME AND TITLE OF SIGNATORY

DATE

OCT 26 1993

Eloise Anderson, Director

Adopt Section 50-023 to read:

50-023 JACOBSON V. ANDERSON RETROACTIVE LAWSUIT

50-023

HANDBOOK BEGINS HERE

.1 Background

On May 9, 1990, the Jacobson v. Anderson lawsuit was filed with the San Luis Obispo County Superior Court. This lawsuit challenged the California Department of Social Services' (CDSS) policy of allowing county welfare departments (CWDs) to refuse to approve plaintiffs' self-initiated programs (SIPs) under the Greater Avenues for Independence (GAIN) Program as GAIN activities solely because their SIPs would require more than two years to complete. This policy was in violation of the Welfare and Institutions Code Section 11310 et seq. in effect before October 1990. In this class action, plaintiffs sought approval of their SIPs under GAIN, restoration of their full Aid to Families with Dependent Children (AFDC) grants and retroactive or prospective supportive services under GAIN for plaintiffs' approvable SIPs. Plaintiffs also sought a declaratory judgment that the CWDs' practice of disapproving otherwise valid SIPs solely because they could not be completed within two years was unlawful under former Welfare and Institutions Code Section 11320.5(b)(5). CDSS agreed that CWDs could not disapprove SIPs before October 1990 solely because the SIPs could not be completed in two years. CDSS also agreed to restore cash aid to those persons who were sanctioned because they refused to quit their SIPs to participate in GAIN, to provide retroactive or prospective supportive services to those persons who were denied such services and to allow those persons who choose to re-enroll in their approvable SIPs to do so in lieu of their other GAIN activities. On April 12, 1993, the San Luis Obispo County Superior Court signed the Settlement and Consent Decree.

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.2 Definitions

For the purpose of these regulations:

- a. (1) "ABCDM 228 (Rev. 10/78)" (Release of Information Form) means the document used by CWDs to obtain documentation when the class member does not have the necessary information or is unable to provide such information.
- (2) "Approvable SIP" means a self-initiated educational or vocational training program of limited duration which is expected to lead to unsubsidized employment as specified in Section 50-023.91.
- b. (1) "Claim period" means the time in which a class member may file a claim under the Jacobson v. Anderson lawsuit. The claim period shall be 90 days beginning July 1, 1993 and ending midnight September 28, 1993.

c. (1) "Class member 1" means those persons:

Whose SIPs were initially disapproved solely because their SIPs could not be completed within two years, and they refused to participate in GAIN so they could continue in their SIPs and who were sanctioned for nonparticipation in GAIN;

or

(2) "Class member 2" means those persons:

Whose SIPs were initially approved but not completed when class members reached the two-year limit, and they continued to participate in their SIPs and refused to participate in their GAIN components that would interfere with the continuation of their SIPs and were sanctioned for nonparticipation in GAIN;

or

(3) "Class member 3" means those persons:

Still on aid and whose SIPs were initially disapproved and who quit their SIPs on or after June 1, 1989 to participate in GAIN in order to avoid sanction for nonparticipation in GAIN;

or

(4) "Class member 4" means those persons:

Still on aid and whose SIPs were initially approved and:

- (A) They quit their SIPs on or after June 1, 1989 because they had reached the two-year limit for GAIN SIPs; and
- (B) They had not completed the SIP at the time of quitting; and
- (C) They quit their SIP to participate in GAIN in order to avoid a sanction for nonparticipation in GAIN.

or

(5) "Class member 5" means those persons:

Still on aid and who were exempt from GAIN registration, volunteered to participate in GAIN and whose SIPs were initially disapproved solely because their SIPs could not be completed within two years.

- (A) Persons claiming membership in this class must be able to verify their initial contact with the CWD (e.g., GAIN registration, AFDC application, request for SIP approval).

1. Verification shall include, but is not limited to, CWD phone records and logs.
2. Self-certification of contact with CWDs shall be accepted unless the CWD has evidence to the contrary.
3. The absence of a formal or written denial of a SIP or case log entry is not evidence of the lack of contact between the class member and the CWD.

(B) This class excludes persons in counties which were not accepting exempt volunteers into GAIN prior to October 1, 1990.

(C) This class also excludes exempt volunteers who have had their SIPs approved since October 1, 1990.

d. (1) "Corrective payment" means the retroactive payment of cash aid and/or supportive services inappropriately withheld from a class member.

e. (Reserved)

f. (1) "Five standard languages" means Spanish, Vietnamese, Laotian, Chinese and Cambodian.
(2) "Four standard Asian languages" means Vietnamese, Laotian, Chinese and Cambodian.

g. (1) "GEN 1172 (5/93)" (Court Case Statistical Report) means the form used by CWDs to gather data regarding the claims filed and paid under this lawsuit.

h. - m. (Reserved)

n. (1) "NOA" means a notice of action (NOA) that is considered to be adequate within the meaning of MPP Section 22-021.

o. - q. (Reserved)

r. (1) "Responsible CWD" means the county welfare department GAIN office that took an action on which a class member's claim is based.
(2) "Retroactive period" means the period from May 9, 1987 through September 30, 1990.

s. (Reserved)

t. (1) "TEMP GAIN 78" (7/93) (Informing Card) means the document mailed with the Medi-Cal cards to current AFDC and Medically Needy Only (MNO) Medi-Cal recipients in responsible CWDs to inform potentially eligible persons of possible corrective payments and/or supportive services resulting from the Jacobson lawsuit.

(2) "TEMP GAIN 79" (7/93) (Informing Poster) means the document used to notify class members and former GAIN participants of possible corrective payments and/or supportive services under the Jacobson lawsuit.

(3) "TEMP GAIN 80" (7/93) (Informing Notice) means the document used by a CWD to inform potential class members of the Jacobson lawsuit if the CWD does not maintain separate records of persons who were sanctioned under the provisions of GAIN.

(4) "TEMP GAIN 81" (7/93) (Claim Form) means the document used by potentially eligible persons to file a claim for corrective payments and/or supportive services resulting from the Jacobson lawsuit.

u. - z. (Reserved)

.3 Informing Class Members

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.31 CDSS responsibilities. CDSS shall:

.311 Provide an (800) telephone number on the TEMP GAIN 78, 79, 80 and 81 for potential class members to call to obtain additional information about the Jacobson v. Anderson lawsuit.

.312 Include the TEMP GAIN 78 with the Medi-Cal cards to be issued the month of July 1993 to current AFDC and MNO Medi-Cal recipients in responsible CWDs.

(a) The TEMP GAIN 78 shall be printed in English on one side with bullets in the five standard languages on the other side.

(1) The English version shall contain a brief statement to inform potential class members of possible corrective payments and/or supportive services and/or eligibility to re-enroll in their approvable SIP as specified in the Jacobson lawsuit.

(2) The bullets shall state essentially: "If you enrolled in an education or training program on your own and GAIN wouldn't approve that program because it would take more than two years to finish or your program was approved but it could not be finished in two years, GAIN may owe you money. Call your GAIN worker or 1-800-952-5253 to get more facts."

.313 Print TEMP GAIN 79 and 80 in English and Spanish with bullets in the four standard Asian languages.

- (a) The English version shall contain a brief statement informing potential class members that GAIN may owe them money and they may be eligible for supportive services from GAIN and/or be eligible to re-enroll in their approvable SIP as specified in the Jacobson lawsuit.
- (b) The bullets shall state essentially: "If you enrolled in an education or training program on your own, and GAIN wouldn't approve that program because it would take more than two years to finish or your program was approved but it could not be finished in two years, GAIN may owe you money. Call your GAIN worker or 1-800-952-5253 to get more facts."

.314 Provide CWDs a:

- (a) Reproducible copy of the TEMP GAIN 81 in English and the five standard languages.
- (b) Reproducible copy of NOAs in English and the five standard languages.
- (c) Supply of TEMP GAIN 79.

.315 Mail copies of TEMP GAIN 79 to legal aid and welfare rights organizations of plaintiffs' choice.

- (a) Plaintiffs' counsel shall provide CDSS with the mailing labels not to exceed 600.

.316 Provide public service announcements to the media two weeks before the beginning of the claim period and two weeks before the end of the claim period.

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.32 Responsible CWDs

Alpine, Butte, Contra Costa, El Dorado, Fresno, Imperial, Inyo, Kern, Kings, Lake, Lassen, Los Angeles, Madera, Mariposa, Merced, Modoc, Mono, Monterey, Nevada, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Siskiyou, Solano, Sonoma, Stanislaus, Tulare and Tuolumne.

.33 CWD responsibilities. CWDs shall:

- .331 Mail a TEMP GAIN 80 by July 1, 1993 to all persons sanctioned during the retroactive period if the CWD does not possess separate records of class members who were sanctioned by GAIN but possess separate records of persons sanctioned by AFDC.

- (a) If a CWD does not possess separate records of persons sanctioned by AFDC, CDSS shall mail a TEMP GAIN 78 to all persons currently receiving AFDC in the county as a stuffer with the Medi-Cal card.
- (b) If a CWD possesses separate records of persons sanctioned by GAIN during the retroactive period, the CWD shall review case files as specified in Section 50-023.5.

.332 Place a TEMP GAIN 79 in conspicuous locations in all welfare offices and GAIN offices.

(a) The TEMP GAIN 79 shall be displayed until close of business September 28, 1993.

.333 Provide a TEMP GAIN 79 to community colleges, four year colleges and universities, both public and private, requesting that they display the TEMP GAIN 79 in conspicuous locations on each campus.

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- (a) It is recognized and agreed that CDSS and/or CWDs cannot require educational institutions to display the TEMP GAIN 79.

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.334 Reproduce an adequate supply of the TEMP GAIN 81 in English and the five standard languages.

.335 Give or mail a TEMP GAIN 81 to anyone upon request.

.4 Application for Corrective Payment

.41 Class members' responsibilities. Class members shall:

- .411 Complete and sign under the penalty of perjury a TEMP GAIN 81.
- .412 Provide necessary additional information, documentation or clarification upon request from a CWD.
- .413 Submit a completed TEMP GAIN 81 to the responsible CWD if possible.
 - (a) Class members may also submit a TEMP GAIN 81 to each responsible CWD if there was more than one CWD in which the class member was affected by the Jacobson v. Anderson lawsuit.
 - (b) Class members may submit the TEMP GAIN 81 to the current county of residence but must list the responsible CWD and complete a TEMP GAIN 81 for each county.
- .414 Submit the TEMP GAIN 81 on or before the end of claim period.

- (a) If mailed, postmark must be no later than September 28, 1993.
- (b) Persons shall be permitted to resubmit a previously denied claim during the claim period.

.42 CWD responsibilities. CWDs shall:

- .421 Stamp the TEMP GAIN 81 with the date received and retain envelopes postmarked after September 28, 1993.
- .422 If the postmark date cannot be determined, the CWD shall use the date the class member signed the TEMP GAIN 81 to determine when the claim was received.
- .423 Issue a NOA M50-023D (7/93) denying the claim within 60 days of receipt if the TEMP GAIN 81 is postmarked after claim period.
- .424 Maintain all documents until the end of the claim period and retain all records which contain documents relevant to the Jacobson lawsuit for three years from when the claim is processed or the date the last expenditure report for federal reimbursement or the termination of the lawsuit whichever is later.
 - (a) Documents included are those used to determine eligibility for the class (including denials) and those used to determine the amount of corrective payments.
 - (b) Documents which are relevant also include case records, payment records, assistance claims, reimbursement claims, claim verification and any other documents related to this lawsuit.
- .425 Determine the responsible CWD. CWDs shall also:
 - (a) Process the TEMP GAIN 81 within 60 days after receiving the claim when the receiving CWD is the responsible CWD.
 - (b) Issue a NOA M50-023D denying the claim and forward the TEMP GAIN 81 as soon as possible, but no later than 30 days from date received, if the CWD receiving the TEMP GAIN 81 determines that it is not the responsible CWD.
 - (1) The receiving CWD shall inform the class member identified in the NOA M50-023D that the TEMP GAIN 81 has been forwarded to the responsible CWD for processing.
 - (2) The responsible CWD shall process the claim within 60 days from the date a completed TEMP GAIN 81 is received.
 - (c) If the responsible CWD cannot be determined, the receiving CWD shall issue a NOA M50-023D denying the claim.

.5 Case File Review.

.51 Responsible CWDs that possess separate records of GAIN-related sanctions shall review case files to identify class members "1" and "2."

.511 CWDs shall begin and complete the review of all case files within the 90-day claim period unless additional information is needed to complete the review.

.512 To the extent possible, CWDs shall complete the review and calculate the amount of corrective payment without requiring class members to come in person to the CWD.

.52 For class members "1" and "2", CWDs shall:

.521 Correct payments for cash aid for Jacobson-related sanctions.

.522 Review and correct the case file for all Jacobson-related sanctions actions after July 1, 1989 so that all Jacobson-related sanctions cannot be counted in any future sanction actions.

(a) Sanctions received from July 1, 1989 through November 28, 1989 are subject to the sanction criteria specified in Section 50-023.941.

(b) Sanctions received from November 29, 1989 through September 30, 1990 are subject to the sanction criteria specified in Section 50-023.942.

.523 Review the case file to determine if subsequent sanctions require re-evaluation without reference to discounted Jacobson-related sanctions. If the re-evaluation results in a corrective payment, the CWD shall calculate the amount of the cash aid that should have been paid.

(a) In each case when a corrective payment is due as a result of disregarding an earlier Jacobson-related sanction, the corrective payment shall be for the three-month period.

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(b) Example:

A six-month sanction which becomes a three-month sanction receives a three-month corrective payment, regardless of how long the sanction period is extended beyond the three months.

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.524 Compare the correct grant to the amount actually paid to the assistance unit for each month when calculating the cash aid underpayment for each month in question. If as a result of a Jacobson-related sanction, the amount paid to the assistance unit in any month was less than the correct grant for that month, a corrective payment is owed.

- (a) For class members who are no longer on aid, calculate the interest as specified in Section 50-023.752.
- (b) GAIN and AFDC shall work together to resolve any issues in determining the corrective payment for cash aid.

.525 Calculate the corrective payment for cash aid and issue a NOA M50-023A if the information is sufficient.

- (a) If the information is not sufficient, request the information needed as specified in Section 50-023.65.
- (b) Class member "1" who is no longer on cash aid shall be eligible for retroactive supportive services benefits.
 - (1) Retroactive supportive services benefits shall be as specified in Sections 50-023.632(a) through .632(a)(4).
- (c) If the information in the case file is sufficient to calculate the retroactive supportive services benefits, complete the computation and issue a NOA M50-023B (7/93) with the NOA M50-023A (7/93).

.53 If class members "1" and "2" are on cash aid:

.531 CWDs shall complete the NOA M50-023A as specified in Sections 50-023.52 through .525 and issue it with a NOA M50-023E requesting the information needed to determine retroactive or prospective supportive services. CWDs shall allow class members to re-enroll in their approvable SIPs in lieu of attending any other GAIN activities.

- (a) Class members shall have 30 days from the date on the NOA or until the end of the claim period, whichever is longer, to respond to the request for information.
- (b) If the additional information is not received within the time period, CWDs shall issue a NOA M50-023D.

.532 CWDs shall complete reviewing the case file within 60 days after receiving the additional information.

.533 Class member "1" chooses:

- (a) Retroactive supportive services and does not want to re-enroll in his/her approvable SIP. The CWD shall complete the computation for supportive services and issue a NOA M50-023B with the NOA M50-023A.

(1) Retroactive supportive services benefits shall meet the criteria as specified in Sections 50-023.632(a) through .632(a)(4).

or

(b) Retroactive supportive services and wants to re-enroll in his/her approvable SIP. The CWD shall complete the computation for supportive services and issue a NOA M50-023C (7/93) with the NOAs M50-023A and M50-023B.

(1) The class member shall not be eligible for prospective supportive services benefits while attending his/her SIP.

or

(c) Prospective supportive services and wants to re-enroll in his/her approvable SIP. The CWD shall complete a NOA M50-023C.

(1) Prospective supportive services benefits shall meet the criteria as specified in Sections 50-023.632(b) through .632(b)(4)(A).

.534 If class member "2" chooses to re-enroll in his/her former approvable SIP, CWDs shall complete a NOA M50-023C.

(a) The class member shall not be eligible for retroactive or prospective supportive services benefits.

.535 If a prior SIP is unavailable or inaccessible for any reason that is not the fault of the class member, CWDs shall allow the class member to enroll in a similar approvable SIP.

.536 CWDs shall cancel class members' previous basic contracts under current Sections 42-772.1, .2 or .3 and enter into a new contract as specified in Section 50-023.91.

(a) Class members shall re-enroll in their SIPs within one year of when CWDs completed reviewing their case file and notified class members of their eligibility to re-enroll.

.537 The "good cause" for nonparticipation in GAIN shall be that the work activity would interrupt the approved education or job training program.

.538 CWDs shall complete the review process and issue a NOA M50-023C if the information is sufficient. CWDs shall attach appropriate NOAs and/or a contract agreement.

(a) If the information is not sufficient, CWDs shall request the information needed as specified in Section 50-023.65.

.6 Process Claim Forms. The responsible CWD shall:

.61 Review each TEMP GAIN 81 for completeness. The TEMP GAIN 81 shall be considered complete when the following questions are answered.

.611 Qualifying class member questions:

- (a) Were you in the GAIN Program?
- (b) Did GAIN deny an education or training program you enrolled in only because you couldn't finish the program in two years?
- (c) Was your education or training program approved but you did not finish it in two years?
- (d) Was your cash aid lowered because you kept going to your education or training program instead of going to GAIN?
- (e) Did you stop going to your education or training program in order to go to GAIN to keep from having your cash aid lowered?
- (f) Did you volunteer for GAIN on or before October 1990?
- (g) Are you on cash aid now?

.612 Class member's case name(s) used during retroactive period.

.613 Class member's date of birth.

.614 Class member's social security number.

.615 CWD or CWDs of residence during retroactive period.

.616 Class member's signature.

.617 The following information shall be provided on the TEMP GAIN 81 to the extent possible:

- (a) The case number.
- (b) Current address.
- (c) Phone number.
- (d) Date(s) for which the claim is being filed.
- (e) The name of the school or educational program.
- (f) The boxes checked to indicate whether retroactive or prospective supportive services are being claimed and if the class member wants to re-enroll in his/her SIP.

.62 To the extent possible, process the TEMP GAIN 81 without requiring class members to come in person to the CWD.

.63 Complete processing the claim within 60 days if the claimant meets the definition of:

.631 Class members "1" or "2".

(a) Process the TEMP GAIN 81 for class members who are not on cash aid as specified in Sections 50-023.52 through .525(a), (b) and (c).

(b) Process the TEMP GAIN 81 for class members who are on cash aid as specified in both Sections 50-023.52 through .525(a), (b) and (c) and Sections 50-023.533 through .538.

.632 Class members "3" or "5". Choice of prospective or retroactive supportive services shall be the choice of the class member.

If class members choose:

(a) Retroactive supportive services. Retroactive benefits shall be paid from the date the SIP was denied up to two years that class members continued to participate in their approvable SIPs.

(1) CWDs shall use the criteria specified in Section 50-023.92 to determine retroactive supportive services.

(2) Documentation shall be provided by the class members to indicate that they were enrolled in or attending approvable SIPs during the time for which they are claiming retroactive supportive services expenses.

(A) CWDs shall verify the documentation whenever authenticity is in doubt.

(3) Self-certification under penalty of perjury is not acceptable documentation for proof of enrollment unless the education or training provider no longer exists and there are no other records available.

(A) If there is a record of receipt of cash aid during the time for which supportive services are being claimed but the responsible CWD is unable to locate the GAIN case file or other documents, the class member may self-certify under penalty of perjury the supportive services expenses unless the CWD has evidence to the contrary.

(4) If the information on the TEMP GAIN 81 is sufficient to complete processing a claim for retroactive supportive services, the CWD shall complete the computation and issue a NOA M50-023B.

(b) Prospective supportive services. Prospective benefits shall be for up to two years, as long as class members participate in their approvable SIPs as specified in Section 50-023.91.

Class members still on aid shall be allowed to:

(1) Re-enroll in an approvable former SIP in lieu of attending any other GAIN activity as specified in Section 50-023.91.

(A) "Good cause" for nonparticipation shall be as specified in Section 50-023.537.

(B) Prospective supportive services shall be determined in accordance with the criteria specified in Section 50-023.92.

(2) Enroll in a similar SIP as specified in Section 50-023.535.

(3) Cancel a previous basic contract and enter into a new contract as specified in Section 50-023.536.

(A) Re-enroll in a SIP as specified in Section 50-023.536(a).

(4) CWDs shall complete a review and issue a NOA M50-023C if the information is sufficient.

(A) CWDs shall use the NOA M42-750 series to inform class members of their approved supportive services. NOAs are to be issued with a NOA M50-023C. The basic contract may also be issued with the NOAs.

.633 Class members "4" still on aid shall be allowed to re-enroll in an approvable SIP in lieu of attending any other GAIN activity.

(a) If a prior SIP is unavailable, the class member shall enroll in a SIP as specified in Section 50-023.535 or

(b) Cancel the previous contract and enter into new contact as specified in Section 50-023.536.

(1) Class members "4" still on aid shall re-enroll in a SIP as specified in Section 50-023.536(a).

- (c) "Good cause" for nonparticipation shall be as specified in Section 50-023.537.
- (d) CWDs shall issue a NOA M50-023C if the information is sufficient in the case file and on the TEMP GAIN 81.
 - (1) Class members shall not be eligible for retroactive or prospective supportive services benefits.

.64 If a person is NOT a class member.

.641 Issue NOA M50-023D (7/93) denying the claim within 60 days after receiving the TEMP GAIN 81 and preprint or attach a GAIN 50 (6/92).

.65 If additional information is needed:

.651 Within 30 days:

- (a) Issue NOA 50-023E (7/93) for CWDs reviewing case files.
- (b) Issue NOA 50-023F (7/93) for CWDs processing TEMP GAIN 81.

.652 Class members shall have 30 days from the date on the NOA or until the end of claim period, whichever is longer, to respond to the request for additional information.

- (a) If a response is not received within the time period specified in Section 50-023.652, a NOA M50-023D shall be issued.

.653 CWDs shall request documentation if the document is necessary to process and/or support the claim or review of the case file and the CWD believes the document is in the class member's possession.

- (a) If a class member does not have the documentation, request that he/she sign an ABCDM 228, or the CWD equivalent form, to allow the CWD to obtain documentation on his/her behalf.
- (b) If a class member is unable to provide the requested documentation, a declaration signed under penalty of perjury affirming the information shall be accepted in lieu of the documentation unless the CWD has evidence to the contrary.
 - (1) The CWD shall verify the documentation whenever authenticity is in doubt.

.654 CWDs shall complete processing the claim or reviewing the case file within 60 days after receiving the additional information.

- (a) If the additional information does not establish the person as a class member, CWDs shall issue a NOA M50-023D denying the claim.

.66 A CWD shall process the first claim and deny any subsequent claims related to this lawsuit for that county.

.7 Computation of Corrective Payments. CWDs shall:

.71 For the purpose of determining continued eligibility and the amount of assistance for the AFDC Program, neither consider a corrective payment as income nor as a resource in the month paid nor in the following month.

.72 For the purpose of determining continued eligibility for the Food Stamp Program, exclude a retroactive corrective payment as income for all Food Stamp households and as a resource for categorically eligible Food Stamp households as long as they remain eligible for AFDC.

.73 If an assistance unit has both an underpayment and an overpayment, balance one against the other before making a corrective payment as specified in Section 42-751.4 for GAIN and Section 44-340.42 for AFDC.

.731 For class members who are no longer on aid, the CWD shall offset the corrective payment against any outstanding overpayment as specified in Section 42-751.4 and Section 44-340.42.

.74 Ensure that a corrective payment for the Jacobson lawsuit is not considered a part of the AFDC grant calculations even when reported on the monthly reporting document.

.75 Pay interest to those class members who are no longer on aid for corrective payments for cash aid and retroactive supportive services.

.751 Interest shall be computed at the rate of seven (7) percent per year on the principal amount.

.752 Multiply the total corrective payment by the appropriate interest factor provided in Handbook Section 50-023.753.

(a) To determine the appropriate interest percentage factor, CWDs shall initially determine the first month the class member was sanctioned or was denied supportive service (Retroactive Benefit Month) and the month the class member will be paid the corrective payment (Retroactive Payment Month). Where the two dates meet on the "Interest Chart for Jacobson Retroactive Benefit Payments" shall be the percentage factor to be used to determine how much interest is to be paid.

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(b) EXAMPLE:

A CWD determines that a class member who is no longer on aid was sanctioned between September 1, 1987 and November 30, 1987 at \$100.00 per month because the class member would not quit her SIP to participate in GAIN. Total cash aid withheld was \$300.00.

She also requested to be paid for the supportive services that she paid while attending her training program. From October 1, 1987 through December 31, 1987, she paid \$100 per month for child care; \$200.00 per month from February 1, 1988 through April 30, 1988; and \$100.00 per month from September 1, 1988 through December 31, 1988. The total child care paid was \$1,300.00.

On July 1993, the CWD computes the back payment with interest for cash aid. At the same time, the CWD computes the corrective payment for retroactive supportive services with interest.

For Cash Aid Corrective Payments

Retroactive Benefit Month--September 1987

-- = (Interest Factor)
Retroactive Payment Month--July 1993

<u>-- Total Cash Aid Corrective</u>	
<u>Payment Paid July 1993</u>	\$ 300.00
<u>-- Interest Percentage Factor</u>	X .4083
<u>-- Interest Paid July 1993</u>	\$ 122.49
<u>-- Total Cash Aid Corrective</u>	
<u>Payment Including</u>	
<u>Interest</u>	\$ 422.49

For Retroactive Supportive Services Corrective Payment

Retroactive Benefit Month--October 1987

-- = (Interest Factor)
Retroactive Payment Month--July 1993

<u>-- Total Supportive Services</u>	
<u>Corrective Payment</u>	
<u>Paid July 1993</u>	\$1,300.00
<u>-- Interest Percentage Factor</u>	X .4025
<u>-- Interest Paid July 1993</u>	\$ 523.25
<u>-- Total Supportive Services</u>	
<u>Corrective Payment</u>	
<u>Including Interest</u>	\$1,823.25

.753 Interest Chart for Jacobson Corrective Payments (Cash Aid and Supportive Services).

<u>Retro- active Benefit Month</u>	<u>Retroactive Payment Month</u>				
	<u>Jul-93</u>	<u>Aug-93</u>	<u>Sep-93</u>	<u>Oct-93</u>	<u>Nov-93</u>
<u>May-87</u>	.4317	.4375	.4433	.4492	.4550
<u>Jun-87</u>	.4258	.4317	.4375	.4433	.4492
<u>Jul-87</u>	.4200	.4258	.4317	.4375	.4433
<u>Aug-87</u>	.4142	.4200	.4258	.4317	.4375
<u>Sep-87</u>	.4083	.4142	.4200	.4258	.4317
<u>Oct-87</u>	.4025	.4083	.4142	.4200	.4258
<u>Nov-87</u>	.3967	.4025	.4083	.4142	.4200
<u>Dec-87</u>	.3908	.3967	.4025	.4083	.4142
<u>Jan-88</u>	.3850	.3908	.3967	.4025	.4083
<u>Feb-88</u>	.3792	.3850	.3908	.3967	.4025
<u>Mar-88</u>	.3733	.3792	.3850	.3908	.3967
<u>Apr-88</u>	.3675	.3733	.3792	.3850	.3908
<u>May-88</u>	.3617	.3675	.3733	.3792	.3850
<u>Jun-88</u>	.3558	.3617	.3675	.3733	.3792
<u>Jul-88</u>	.3500	.3558	.3617	.3675	.3733
<u>Aug-88</u>	.3442	.3500	.3558	.3617	.3675
<u>Sep-88</u>	.3383	.3442	.3500	.3558	.3617
<u>Oct-88</u>	.3325	.3383	.3442	.3500	.3558
<u>Nov-88</u>	.3266	.3325	.3383	.3442	.3500
<u>Dec-88</u>	.3208	.3266	.3325	.3383	.3442

<u>Jan-89</u>	.3150	.3208	.3266	.3325	.3383
<u>Feb-89</u>	.3092	.3150	.3208	.3266	.3325
<u>Mar-89</u>	.3030	.3092	.3150	.3208	.3266
<u>Apr-89</u>	.2975	.3030	.3092	.3150	.3208
<u>May-89</u>	.2917	.2975	.3030	.3092	.3150
<u>Jun-89</u>	.2858	.2917	.2975	.3030	.3092
<u>Jul-89</u>	.2800	.2858	.2917	.2975	.3030
<u>Aug-89</u>	.2742	.2800	.2858	.2917	.2975
<u>Sep-89</u>	.2683	.2742	.2800	.2858	.2917
<u>Oct-89</u>	.2625	.2683	.2742	.2800	.2858
<u>Nov-89</u>	.2566	.2625	.2683	.2742	.2800
<u>Dec-89</u>	.2508	.2566	.2625	.2683	.2742
<u>Jan-90</u>	.2450	.2508	.2566	.2625	.2683
<u>Feb-90</u>	.2392	.2450	.2508	.2566	.2625
<u>Mar-90</u>	.2333	.2392	.2450	.2508	.2566
<u>Apr-90</u>	.2275	.2333	.2392	.2450	.2508
<u>May-90</u>	.2217	.2275	.2333	.2392	.2450
<u>Jun-90</u>	.2158	.2217	.2275	.2333	.2392
<u>Jul-90</u>	.2100	.2158	.2217	.2275	.2333
<u>Aug-90</u>	.2042	.2100	.2158	.2217	.2275
<u>Sep-90</u>	.1983	.2042	.2100	.2158	.2217

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.8 Statistical Reports

.81 Preliminary Compliance Report.

.811 CWDs that possess separate records for persons sanctioned shall provide a letter to CDSS no later than August 16, 1993 reporting the total number of TEMP GAIN 80s mailed to class members "1" and "2" and the number of TEMP GAIN 81s issued upon request within the first 30 days of the claim period.

.82 Statistical Report.

.821 CWDs shall submit the GEN 1172 (Court Case Statistical Report) no later than January 31, 1994 to CDSS' Statistical Services Bureau.

.822 The report shall include:

(a) The total number of:

(1) TEMP GAIN 80s (Informing Notices) mailed to potential class members. If a CWD does not possess separate records of persons sanctioned under the provisions of GAIN, the CWD shall mail the TEMP GAIN 80 to all persons sanctioned within that CWD.

(2) Class members identified by CWDs through case file search. If a CWD does possess separate records of persons sanctioned under the provisions of GAIN, the CWD shall search its case files to identify those individuals who meet the criteria of class members "1" and "2" as specified in Section 50-023.2c.(1) and (2).

(3) TEMP GAIN 81s (Claim Forms) mailed or given out by the CWD.

(4) TEMP GAIN 81s received by the CWD.

(5) Class members approved.

(6) Claims denied.

(A) Untimely. Claim forms received after the claim period in which additional information was requested but received after the 30-day time period specified on the NOA 50-023E.

(B) Not a class member.

(C) Claims sent to the wrong CWD and the receiving CWD was unable to determine the responsible CWD from the information available on the TEMP GAIN 81.

(D) Claims sent to the wrong CWD and forwarded to the responsible CWD.

(E) Incomplete. The claim was mailed in blank; the claim was received signed but illegible; no address or social security number; social security number and name in case file did not match and there was no forwarding address to obtain necessary additional information; or additional information requested but not received.

(F) Other. CWDs shall provide documentation for any denial listed in the "other" column.

(b) Total amount of retroactive cash paid to all class members.

(c) Total amount of retroactive supportive services paid to all class members.

(d) Total number of overpayments offset with retroactive cash aid in both case file search and claims processing.

(1) Total dollar amount of payments offset.

(e) Total number of supportive services overpayments offset with retroactive supportive services or cash aid in both case file search and claims processing.

(1) Total dollar amount of overpayments offset.

(f) Total number of class members no longer on aid in both case file search and claims processing.

(1) Total amount of interest paid on retroactive cash aid benefits.

(2) Total dollar amount of interest paid on retroactive supportive services benefits.

(g) Total number of class members who selected prospective supportive services.

(h) Total number of class members who elected to re-enroll in their SIP.

.9 When calculating corrective payments for Jacobson-related sanctions, CWDs shall follow the regulations which were in effect prior to October 1, 1990 and are included as handbook below.

.91 GAIN Basic Participant Contract Requirements as specified in Section 42-772.4 in effect 7/1/89.

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42-772 GAIN BASIC PARTICIPANT CONTRACT REQUIREMENTS

Based on the information obtained according to Section 42-761, the CWD shall determine the requirements of the basic contract.

.1 For any participant who has not been employed within two years prior to GAIN registration, and who does not meet the conditions of .3 below, the basic contract shall provide that the individual participate in Job Club (Section 42-730.21), for a three week period.

.11 Participation in job club shall be delayed for individuals who meet the conditions in .4 or .5 below, except as specified in .43, .52, and .53 below.

.2 For any participant who has been employed within two years prior to GAIN registration, but who does meet the conditions of .3 below, the basic contract shall provide that the individual has an option to participate for a three-week period in either job club (Section 42-730.21) or supervised job search (Section 42-730.22).

.21 The job search period may be shortened when it is determined that all reasonable job search efforts have been exhausted.

.211 This determination shall be subject to supervisory approval.

.212 This determination shall include consideration of factors such as job opportunities in the labor market and the individual's recent job search efforts. The CWD shall be permitted to verify the recent job search efforts.

.22 Participation in the chosen option shall be delayed for individuals who meet the conditions in .4 or .5 below, except as specified in .43, .52, and .53 below.

.3 For any participant whose AFDC benefits have been discontinued two or more times within three years prior to GAIN registration due to his/her employment, the basic contract shall provide for an immediate referral to an assessment as specified in Section 42-773.

.31 Referral to an assessment shall be delayed for individuals who meet the conditions in .4 or .5 below, except as specified in .43, .52, and .53 below.

.4 For any participant who is enrolled and wishes to continue in a self-initiated vocational training program of limited duration or an educational program which is expected to lead to unsubsidized employment, the basic contract shall provide for continued participation in the program until completion.

.41 Participation as a GAIN participant, however, shall be limited to a total of two academic years.

.42 Vocational and educational programs which are expected to lead to unsubsidized employment shall be those which will provide the participation with the training or education required to obtain employment in an occupational field which is either:

.421 One that has been identified in the county's labor market needs assessment; or

.422 One for which the participant can demonstrate a need exists.

.43 An individual may choose to participate concurrently according to .11, .22, or .31 above, whichever is appropriate.

.44 The basic contract shall provide that if concurrently participation has not occurred as specified in .43 above, the participant shall participate according to .1, .2, or .3 above, whichever is applicable, when the participant completes the program or reaches the two-year limit, or when any of the following occur:

.441 The participant stops participating in the educational or training program.

.442 The participant fails or refuses to regularly attend the educational or training program.

.443 The participant does not maintain satisfactory progress in the educational or training program.

.45 If the CWD determines that the participant had good cause for failing to meet the participation, attendance, or progress standards, based on the criteria specified in Section 42-782, and the school allows the participant to continue in the program, participation according to .44 above shall not be required.

.46 The participant shall provide documentation from the training or educational provider to the county at least quarterly or at midpoint if the program is for less than three months to verify satisfactory participation, attendance, and progress in the program.

.461 The county shall verify the documentation whenever authenticity is in doubt.

.462 The county shall rely on the training or educational provider's normal standard of attendance or performance to determine if the participant meets the criteria of satisfactory participation, attendance, and progress.

.463 If the participant refuses to furnish the required documentation, the CWD shall consider that he/she is not meeting the criteria. See MPP Section 40-157 if the participant is unable to furnish the required documentation.

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.92 Supportive Services as specified in Section 42-750 in effect July 1, 1989 through September 30, 1990.

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42-750 SUPPORTIVE SERVICES

.1 Supportive services shall be provided to GAIN registrants to enable them to participate in GAIN activities or to accept employment opportunities. As specified in Section 42-782.1(g) or 42-783.1(k), participation shall not be required if the needed services are not available, not arranged, or are insufficient to meet the participant's needs.

.11 At a minimum, these services shall include child care referrals and payments, transportation costs, ancillary expenses, and personal counseling.

.2 Child care services shall be available to every GAIN participant with a child under 12 years of age who has indicated the need in their basic or amended contract. CWDs are encouraged to contract with existing public and private child care programs to provide any or all of the services specified in this subdivision. Child care by family members shall be encouraged, but the choice between licensed or exempt child care arrangements shall be made by the participant.

.21 Child care arrangements provided through GAIN shall meet the following standards:

.211 Standards required under Title 22, California Code of Regulations Division 12, Chapter 3 (commencing with Section 101251), unless exempt from licensure.

.212 If the CWD chooses to contract with any child care provider which is also under contract with the State Department of Education (SDE), these contracts shall be consistent with and shall not supersede all of the following:

(a) Chapter 2 (commencing with Section 8200) of Part 6 of the Education Code.

(b) Applicable provisions of Title 5 and Title 22 of the California Code of Regulations.

(c) Applicable SDE contract provisions.

.213 If the CWD or a contractor pays for child care services which are exempt from licensure with the exception of extended day care on a school site operated by school employees, all of the following information about the care provider shall be on file with the CWD, or agency contracting with the CWD, and shall be made available to the participant.

- (a) The care provider's name, address, and social security number.
- (b) The address where care is to be provided.
- (c) The hours care is to be provided, and the charge for this care.
- (d) The names, addresses, and telephone numbers of two character references.
- (e) A copy of a valid California driver's license or other identification to establish that the care provider is at least 18 years of age.
- (f) A statement from the care provider as to his or her health; education, experience, or other qualifications; criminal record; and names and ages of other persons in the home or providing care.

.22 In order to provide maximum choice to parents and to ensure the availability of child care, each county shall do all of the following:

.221 Assist participants in locating child care necessary for participation in GAIN. In so doing, the CWD shall:

- (a) Allow and promote parental choice by providing flexibility in child care arrangements and establishing payment arrangements consistent with Section .23 below.
- (b) Provide payment for and assist in arranging for the continuity of child care.
- (c) Provide payment for and assist in arranging for child care to participants whose program demands flexible hours of care, including evenings, weekends, and split shifts.
- (d) To the extent possible, provide payment for and assist in arranging for transportation of children between school and care, if reasonable and necessary.

.222 Coordinate with child care resource and referral agencies, school districts, and other local providers in the development of new child care resources where needed.

.223 Include in the participant contracts referred to in Sections 42-771 through 42-774 the following information in relation to child care services provided in the GAIN program:

- (a) The name, birth date, and sex of each child for whom care is to be provided.
- (b) The types of child care to be provided, including care in the child's home, family day care, or center-based care.
- (c) The scheduled hours of care per week.
- (d) The beginning and anticipated ending dates of care, based on the participant's training program.
- (e) The name and address of the child care provider.
- (f) The rate of pay for child care services.
- (g) Provisions for payment during temporary absences of the child or provider. (See .235 below.)

.224 An amendment to the participant contract shall not be required in instances where the only change relates to child care arrangements. However, the basic contract shall specify that the participant shall notify the CWD of any such changes. This information shall be included in the participant's case file.

.23 Child Care Costs.

.231 GAIN funds may be used to pay for child care services arranged by the participant, providing those costs do not exceed regional market rates as specified in .233 below, and they meet the standards set forth in .21 above.

.232 Child care payments for GAIN participants shall be paid on a per month, per week, per day, or per hour basis depending on the participant needs, and the contractual terms used by the care providers to charge private clients for the same services.

.233 Participants shall be allowed to choose licensed or exempt child care, and the cost shall be reimbursed up to the regional market rate.

- (a) Regional market rates shall be determined annually in accordance with the resource and referral programs provided for under Article 2 (commencing with Section 8210) of Chapter 2 of Part 6 of the Education Code, and the alternative payment program provided for under Article 3 (commencing with Section 8220) of Chapter 2 of Part 6 of the Education Code.

(b) The regional market rate means care costing no more than 1.5 standard deviations above the mean market cost of care for that region.

(1) The mean market cost for care in a region shall be determined based on a statistically valid survey of the rates established by child care providers for private clients.

(A) The regional market rate shall be updated every two years with recent survey data.

.234 Reimbursement to child care providers for GAIN participants shall not exceed the fee charged to private clients for the same service. Reimbursement shall be made at a rate lower than that charged to private clients for the same service, if the child care program agrees to charge a lower fee.

.235 GAIN funding will be available to pay for child care services when the child is temporarily absent from care, if it is agreed to pursuant to .223(g) above. Payment may be made for temporary absences only for the following verified reasons:

- (a) Illness or quarantine of the child;
- (b) Illness or quarantine of the parent;
- (c) Family emergency;
- (d) Court ordered visits with a parent or other relative of the child; or
- (e) Other reasons approved by the CWD.

.24 If a GAIN registrant terminates AFDC dependency due to unsubsidized employment, payment for child care services in accordance with Section .221 above shall be available for a transition period of three months.

(a) This transition period commences immediately following the discontinuance of AFDC.

.25 The CWD shall ensure that there is a mechanism for collecting fees from participants receiving GAIN child care subsidies in accordance with the most recent version of the SDE Family Fee Schedule.

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No fee is charged if a participant's family income, including the AFDC grant, is less than 50 percent of the annually adjusted state median income.

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.251 The fees collected by the CWD, or agency contracting with the CWD, shall be used to expand child care services or resources.

.3 Reasonable transportation costs shall be paid for every participant to and from his or her GAIN assignment, including transportation to and from the child care provider, and transportation for children to and from child care.

.31 Regional market rates for transportation shall be determined as follows:

.311 The least costly form of public transportation that would not preclude participation in GAIN as specified in Section 42-783.1(b).

.312 If there is no public transportation available which meets the requirements of .311 above, participants may use their own vehicles, and shall be reimbursed at a rate used to reimburse CWD employees for the use of privately-owned vehicles.

.313 Parking for GAIN participants shall be reimbursed at actual cost. Participants must submit receipts for this purpose, except in cases where parking meters are used.

.314 Reimbursement to participants who choose to use their own vehicles when public transportation is available shall not exceed the rate specified in .311 above.

.315 The CWD shall submit as part of their county plan, an alternative for areas in which there is no public transportation available, and where a per-mile reimbursement rate would result in excessive costs.

.4 Ancillary expenses shall be paid when necessary up to a maximum of \$450 per participant. These shall include books, tools, clothing, fees, and other necessary costs of work or training assignment.

.41 The maximum in .4 above may only be exceeded on an exception basis where the CWD determines that expenses in excess of the maximum are reasonable and necessary for participation.

.5 A person who has personal or family problems that are jeopardizing the successful outcome of the employment plan entered into pursuant to Section 42-773 shall, to the extent available, receive necessary counseling or therapy to help him or her and his or her family adjust to his or her job training assignment.

.51 The CWD shall specify the method(s) that it will use to provide these services in its initial county plan and annual updates.

.6 Payments for supportive services shall be advanced to the participant whenever necessary and desired by the participant, so that the participant need not use his or her funds to pay for these services.

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The CWD should minimize the need to make advance payments to participants by paying for services directly whenever necessary or desired. The CWD should seek recoupment of any unused portion of an advanced payment whenever possible.

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.61 Payments for supportive services, including reimbursement to licensed child care providers, shall be governed by regional market rates.

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.93 Sanction Criteria in effect 6/13/86.

.931 As specified in Section 42-785, GAIN Money Management. It is included here as handbook.

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42-785 GAIN MONEY MANAGEMENT

.1 Money management shall be applied when all three of the following conditions are met:

.11 The individual has failed or refused to meet GAIN program requirements for the first time without good cause; and

.12 Informal and formal conciliation efforts under Section 42-781 have failed; and

.13 The individual is not a volunteer participant in GAIN.

.131 If a volunteer participant engages in actions which result in money management for a mandatory participant, the individual shall be precluded from participating in the program for a six-month period.

.2 The CWD shall either arrange for a substitute payee, develop a plan for vendor payments, or do both, for the money management period to ensure that none of the grant is paid directly to the participant's assistance unit.

.21 If the CWD chooses to make payments to a substitute payee, the CWD shall name the payee.

.211 If the CWD is unable to name a substitute payee, the CWD shall name the payee, the CWD shall allow the recipient to name someone or shall arrange for vendor payments. (See Section 44-309.13 for selection criteria.)

.212 If an agency payee is used, the agency must ensure that no conflict of interest exists. (See Section 40-107.21.)

.22 The CWD shall be allowed to contract with outside parties to perform the activities associated with money management.

.3 Money management shall begin on the first of the month following the end of formal conciliation.

.31 Before beginning money management, the CWD shall provide at least a ten-day written notice of the intent to begin money management.

.311 If the CWD is unable to provide the ten-day notice before the first of the month following the end of formal conciliation, money management shall begin with the next payment installment. However, the entire calendar month following the end of formal conciliation shall be counted as the first of the three months of money management.

.4 Money management shall occur for a three-month period, with the following exception:

.41 The money management period shall be terminated, and, if administratively feasible, the next aid payment installment following termination shall be paid to the participant, if any of the following occur:

.411 The participant and CWD reach an agreement regarding participation, including a determination that the participant should be exempt (Sections 42-631 through 42-641) or deferred (Section 42-761.3).

.412 The participant performs the activity he/she had previously failed or refused to perform.

.5 If the participant fails to comply with program requirements by the end of the money management period, or violates an agreement to comply made during the management period, financial sanctions shall be imposed according to Section 42-786.

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.932 As specified in Section 42-786, GAIN Financial Sanctions in effect 6/13/86.

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42-786 FINANCIAL SANCTIONS

.1 Financial sanctions shall be applied when a mandatory participant fails or refuses to meet program requirements without good cause, and any of the following occur:

.11 The participant fails to cooperate by the end of the money management period.

- .12 The participant fails or refuses to meet program requirements without good cause for a second or subsequent time, and informal and formal conciliation efforts have failed.
- .13 The participant violates the agreement to participate made during the money management period.
- .2 The first financial sanction period shall last for three months. Any additional sanction periods shall last for six months.
- .3 During the sanction period, aid shall be discontinued to the individual or assistance unit as specified below:
 - .31 If the individual who failed or refused to participate is:
 - .311 A caretaker relative, other than the principal earner, his/her aid shall be discontinued, and aid shall be continued to the remainder of the family (refer to .5 below and Section 44-310 for protective payments); or
 - .312 One of several eligible children in the assistance unit, aid shall be discontinued for that child and aid shall be continued to the remainder of the family; or
 - .313 The only eligible child in the assistance unit, aid shall be discontinued to the entire family; or
 - .314 The principal earner, aid shall be discontinued to all members of the family those sole basis of deprivation is the unemployment of that parent.
- .4 The discontinuance from aid shall become effective at the end of the month following the CWD's timely and adequate notification (see Section 22-022.1), except as specified in Sections 42-787.41 and .61 below:
 - .41 If the recipient appeals the sanction through the state hearing process within the period of timely notification, no sanction shall be imposed until the hearing decision is reached.
 - .411 If the CWD's action is sustained, the discontinuance shall be effective at the end of the payment month in which the state hearing decision is received.
 - (a) If the CWD is unable to discontinue aid at the end of such month, aid shall be discontinued at the end of the following payment month.
- .5 The CWD shall arrange for a protective payee in the case of a sanctioned caretaker relative. (See exception in Section 44-310).
- .6 The CWD shall restore aid:
 - .61 Upon expiration of the sanction period if the individual applies for aid, registers with GAIN as required in Section 42-760, and is otherwise eligible; or

.62 If the sanction is rescinded as a result of the outcome of a state hearing or either of the formal grievance procedures (Section 42-787).

.7 Financial sanctions shall not apply to individuals who voluntarily participate in the program.

.71 If a volunteer participant engages in conduct which would result in sanctions for a mandatory participant, the individual shall be precluded from participating in the program for a six-month period.

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.94 Sanction Criteria as specified in Section 42-786.

.941 Regulations in effect July 1, 1989 through November 28, 1989.

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42-786 GAIN FINANCIAL SANCTIONS

.1 Financial sanctions shall be applied when a mandatory participant fails or refuses to meet program requirements without good cause and informal and formal conciliation efforts have failed.

.2 Financial sanctions shall be applied as follows:

.21 The first financial sanction shall continue until the individual and the CWD reach an agreement in an amended contract or the individual agrees to participate in the activity in which he/she previously refused to participate.

.22 The second financial sanction shall continue for three (3) months or until the individual and the CWD reach an agreement or the individual agrees to participate in the activity in which he/she previously refused to participate, whichever is longer.

.23 The third or subsequent financial sanction which shall continue for six (6) months or until the individual and the CWD reach an agreement or the individual agrees to participate in the activity in which he/she previously refused to participate, whichever is longer.

.24 If a sanction period has continued for three (3) months, the CWD shall notify the individual in writing of his/her option to end the sanction by beginning (or resuming) participation. This notification is to be made no later than 10 working days prior to the end of the third month.

.241 If this is the third or subsequent sanction, the individual shall be notified as specified in Section 42-786.24 that the sanction can be ended only after completion of the six-month sanction period.

.3 During the sanction period, aid shall be discontinued to the individual or assistance unit as specified below:

.31 If the individual who failed or refused to participate is:

- .311 A caretaker relative, other than the principal earner, his/her aid shall be discontinued, and aid shall be continued to the remainder of the family (refer to Section 42-786.5 and Section 44-309 for protective payments); or
- .312 One of several eligible children in the assistance unit, aid shall be discontinued for that child and aid shall be continued to the remainder of the family; or
- .313 The only eligible child in the assistance unit, aid shall be discontinued to the entire family; or
- .314 A parent in a family whose sole basis of deprivation is the unemployment of the principal earner, his/her aid shall be discontinued. In addition, if the sanctioned parent's spouse or the second parent is not participating in the program, aid to the spouse or second parent shall also be discontinued.
 - (a) Aid shall be continued for any dependent children in the assistance unit in accordance with the provisions of Section 44-309.
 - (b) If the spouse or second parent is participating in the program, his/her aid shall be continued, together with aid for any dependent children in the assistance unit.
 - (c) If the spouse or second parent chooses to participate after the financial sanction has been imposed, his/her aid shall be restored in accordance with Section 40-125.9.
 - (d) If the spouse or second parent chooses to participate and subsequently ceases participation without good cause after reinstatement of the sanctioned parent, the spouse or second parent shall be subject to the sanctions specified in Sections 42-786.2 or 42-786.7, as appropriate.

.4 The discontinuance from aid shall become effective at the end of the month following the CWD's timely and adequate notification (see Section 22-022.1), except as specified in Sections 42-786.41 and 42-787.61 below:

- .41 If the recipient appeals the sanction through the state hearing process within the period of timely notification, no sanction shall be imposed until the hearing decision is reached.
- .411 If the CWD's action is sustained, the discontinuance shall be effective at the end of the payment month in which the state hearing decision is received.

(a) If the CWD is unable to discontinue aid at the end of such month, aid shall be discontinued at the end of the following payment month.

.5 The CWD shall arrange for a protective payee in accordance with Section 44-309 as specified in Sections 42-786.311 and 42-786.314(a).

.6 The CWD shall restore aid:

.61 Upon expiration of the sanction period if the individual applies for aid and is otherwise eligible; or

.62 If the sanction is rescinded as a result of the outcome of a state hearing or either of the formal grievance procedures (Section 42-787).

.7 Financial sanctions shall not apply to individuals who are exempt from participation but choose to voluntarily participate in the program.

.71 If a volunteer participant who is a member of a group listed under Section 42-720.671 engages in conduct which would result in sanctions for a mandatory participant, the individual shall not be given priority so long as other individuals are actively seeking to participate.

.72 If any other volunteer participant engages in conduct which would result in sanctions for a mandatory participant, the individual shall be precluded from participating in the program for a six-month period.

HANDBOOK ENDS HERE

.942 Regulations in effect November 29, 1989 through September 30, 1990.

HANDBOOK BEGINS HERE

42-786 GAIN FINANCIAL SANCTIONS

.1 Financial sanctions shall be applied when a mandatory participant fails or refuses to meet program requirements without good cause and informal and formal conciliation efforts have failed.

.2 Financial sanctions shall be applied as follows:

.21 The first instance of noncompliance without good cause shall result in a financial sanction which shall continue until the individual and the CWD reach an agreement in an amended contract or the individual agrees to participate in the activity in which he/she previously refused to participate.

.22 The second instance of noncompliance without good cause shall result in a financial sanction which shall continue for three (3) months or until the individual and the CWD reach an agreement or the individual agrees to participate in the activity in which he/she previously refused to participate, whichever is longer.

.23 The third or subsequent instance of noncompliance without good cause shall result in a financial sanction which shall continue for six (6) months, or until the individual and the CWD reach an agreement or the individual agrees to participate in the activity in which he/she previously refused to participate, whichever is longer.

.24 If a sanction period has continued for three (3) months, the CWD shall notify the individual in writing of his/her option to end the sanction by beginning (or resuming) participation. This notification is to be made no later than 10 working days prior to the end of the third month.

.241 If this is the third or subsequent sanction, the individual shall be notified as specified in Section 42-786.24 that the sanction can be ended only after completion of the six-month sanction period.

.3 During the sanction period, aid shall be discontinued to the individual or assistance unit as specified below:

.31 If the individual who failed or refused to participate is:

.311 A caretaker relative, other than the principal earner, his/her aid shall be discontinued, and aid shall be continued to the remainder of the family (refer to Section 42-786.5 and Section 44-309 for protective payments); or

.312 One of several eligible children in the assistance unit, aid shall be discontinued for that child and aid shall be continued to the remainder of the family; or

.313 The only eligible child in the assistance unit, aid shall be discontinued to the entire family; or

.314 A parent in a family whose sole basis of deprivation is the unemployment of the principal earner, his/her aid shall be discontinued. In addition, if the sanctioned parent's spouse or the second parent is not participating in the program, aid to the spouse or second parent shall also be discontinued.

(a) Aid shall be continued for any dependent children in the assistance unit in accordance with the provisions of Section 44-309.

(b) If the spouse or second parent is participating in the program, his/her aid shall be continued, together with aid for any dependent children in the assistance unit.

(c) If the spouse or second parent chooses to participate after the financial sanction has been imposed, his/her aid shall be restored in accordance with Section 40-125.9.

(d) If the spouse or second parent chooses to participate and subsequently ceases participation without good cause after reinstatement of the sanctioned parent, the spouse or second parent shall be subject to the sanctions specified in Sections 42-786.2 or 42-786.7, as appropriate.

.4 The discontinuance from aid shall become effective at the end of the month following the CWD's timely and adequate notification (see Section 22-022.1), except as specified in Sections 42-786.41 and 42-787.61 below:

.41 If the recipient appeals the sanction through the state hearing process within the period of timely notification, no sanction shall be imposed until the hearing decision is reached.

.411 If the CWD's action is sustained, the discontinuance shall be effective at the end of the payment month in which the state hearing decision is received.

(a) If the CWD is unable to discontinue aid at the end of such month, aid shall be discontinued at the end of the following payment month.

.5 The CWD shall arrange for a protective payee in accordance with Section 44-309 as specified in Sections 42-786.311 and 42-786.314(a).

.6 The CWD shall restore aid:

.61 Upon expiration of the sanction period if the individual applies for aid and is otherwise eligible; or

.62. If the sanction is rescinded as a result of the outcome of a state hearing or either of the formal grievance procedures (Section 42-787).

.7 Financial sanctions shall not apply to individuals who are exempt from participation but choose to voluntarily participate in the program.

.71 If a volunteer participant who is a member of a group listed under Section 42-720.671 engages in conduct which would result in sanctions for a mandatory participant, the individual shall not be given priority so long as other individuals are actively seeking to participate.

.72 If any other volunteer participant engages in conduct which would result in sanctions for a mandatory participant, the individual shall be precluded from participating in the program for a six-month period.

HANDBOOK ENDS HERE

Authority Cited: Sections 11310 et seq., 11320.5(b)(5) and 11329.3(e)(1) through (4), Welfare and Institutions Code.

Reference: Jacobson v. Anderson, Settlement and Consent Decree, Case No. 68117.

NOTICE PUBLICATION/REGULATIONS SUBMISSION

REGULAR

(See instructions on reverse)

STD. 400 (REV. 2-91)

AGENCY

California Department of Social Services

AGENCY FILE NUMBER (If any)

0292-05

original
For use by Secretary of State only

OAL FILE NUMBERS

NOTICE FILE NUMBER

REGULATORY ACTION NUMBER

EMERGENCY NUMBER

PREVIOUS REGULATORY ACTION NUMBER

For use by Office of Administrative Law (OAL) only

ENDORSED
APPROVED FOR FILING
AND PUBLICATION

DEC 15 1993

Office of Administrative Law

NOTICE

REGULATIONS

FILED
In the office of the Secretary of State
of the State of California

DEC 1 5 1993

AM 4:14 O'clock M.
MARCH FONG EU, Secretary of State
By *Eloise Anderson*
Deputy Secretary of State

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE	Sallis v. McMahon and Sidwell v. McMahon	TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE	Notice re Proposed Regulatory Action	4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified	<input type="checkbox"/> Disapproved/ Withdrawn	NOTICE REGISTER NUMBER <i>93-#1142</i>	PUBLICATION DATE <i>4-2-93</i>

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S)	ADOPT
MPP	
SECTIONS AFFECTED	AMEND 42-213.123 (b) (1) and .124 (a) and (c) and 44-101.51 and .532. REPEAL

2. TYPE OF FILING

<input type="checkbox"/> Regular Rulemaking (Gov. Code, § 11346)	<input type="checkbox"/> Resubmittal	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)	<input type="checkbox"/> Emergency (Gov. Code, § 11346.1(b))
<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.			
<input type="checkbox"/> Print Only		<input type="checkbox"/> Other (specify) _____	

3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

August 26, 1993 through September 10, 1993

4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

<input checked="" type="checkbox"/> Effective 30th day after filling with Secretary of State	<input type="checkbox"/> Effective on filing with Secretary of State	<input type="checkbox"/> Effective other (Specify) _____
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5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

<input checked="" type="checkbox"/> Department of Finance (Form STD. 399)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal
---	--	---

 Other (Specify) _____

6. CONTACT PERSON

Frank Vitulli, Asst. Bureau Chief, Regulations Development Bureau

TELEPHONE NUMBER

(916) 657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

TYPED NAME AND TITLE OF SIGNATORY

Eloise Anderson, Director

DATE *OCT 20 1993*

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) (REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

ALL FILINGS

Enter the agency name and agency file number, if any.

NOTICES

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

REGULATIONS

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

EMERGENCY REGULATIONS

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

NOTICE FOLLOWING EMERGENCY ACTION

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

CERTIFICATE OF COMPLIANCE

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

EMERGENCY REGULATIONS - READOPTION

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Amend Sections 42-213.123(b)(1) and .124(a)(1) and (c)(1) to read:

42-213 PROPERTY ITEMS TO BE EXCLUDED IN EVALUATING PROPERTY WHICH MAY BE RETAINED

42-213

.1 Real Property to be Excluded (Continued)

.12 (Continued)

.123 (Continued)

(a) (Continued)

(b) (Continued)

(1) Advertising once a week in at least one publication of general circulation that the property is for sale. When an AU becomes resource eligible it will no longer be required to use out-of-pocket expenditures to market the property but shall continue to comply with Section 42-213.123(a). [Resource eligibility exists when the equity value of the real property (see Section 42-213.124) plus all countable resources is less than \$1,000]. (Continued)

.124 (Continued)

(a) (Continued)

HANDBOOK BEGINS HERE

111 Example! At the beginning of the exempt period, an assistance unit had \$300 in a savings account in addition to a parcel of land that was not counted in the resource limit under this section. The property was sold for \$8,000. Loans and liens, except for the lien granted to the county under this section, that were secured by the property totaled \$8,000. Costs directly related to the sale were \$1,400. The \$8,000 plus the \$1,400 were subtracted from the gross amount of the sale (\$8,000) to arrive at the net proceeds from the sale of \$800. The net proceeds (\$800) plus the value of other countable resources at the beginning of the exempt period (\$300 in savings account) are less than the \$1,000 limit allowed under Section 42-207. Therefore, there is no repayable aid.

HANDBOOK ENDS HERE

(1) Property liens established to repay AFDC grants shall be counted as allowable encumbrances when determining the equity value of real property for eligibility purposes. (Continued)

(b) (Continued)

(c) (Continued)

(1) Loans and liens of the seller/ ~~other than the lien granted to the entity under this section/~~ that are secured by the property, (Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 11155, and 11155.5, Welfare and Institutions Code; and 45 CFR 233.20(a)(4)(ii); and Sidwell v. McMahon, United States District Court (E.D. Cal) May 7, 1990, civil no. S-89-0445.

Amend Sections 44-101.51 and .532 to read:

44-101 INCOME DEFINITIONS (Continued)

44-101

.5 (Continued)

.51 Earned income is income received in cash or in kind as wages, salary, employer provided sick leave benefits, State Disability Insurance benefits, commissions or profit from activities such as business enterprise, farming, etc., in which the recipient is engaged as a self-employed individual or as an employee.

.52 (Continued)

.53 Earned Income does not include:

.531 (Continued)

.532 Benefits (not in the nature of wages, salary, or profits excluding those specified in Section 44-101.51) accruing as compensation, or reward for service, or as compensation for lack of employment (for example, pensions and benefits, such as veterans benefits). (Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553 and 10554, Welfare and Institutions Code; and Sallis v. McMahon, Sacramento County Superior Court, case no. 364308, January 30, 1991.

EMERGENCY
NOTICE PUBLICATION REGULATIONS SUBMISSION**AGENCY**

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

(See instructions on reverse)

original
For use by Secretary of State only

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER	AGENCY FILE NUMBER (If any) RDB#0493-13
			93-1221-04E	PREVIOUS REGULATORY ACTION NUMBER

For use by Office of Administrative Law (OAL) only

ENDORSED
APPROVED FOR FILING
AND PUBLICATION

APPROVED FOR PUBLICATION
DEC 28 1993

Office of Administrative Law

NOTICE

REGULATIONS

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE	Child Support Hold Harmless Regulations	TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE	Notice re Proposed Regulatory Action	4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn	NOTICE REGISTER NUMBER		PUBLICATION DATE

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)**1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)**

TITLE(S)	ADOPT MPP	12-206.4 through .5
SECTIONS AFFECTED	AMEND	
	REPEAL	

2. TYPE OF FILING

<input type="checkbox"/> Regular Rulemaking (Gov. Code, § 11346)	<input type="checkbox"/> Resubmittal	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)	<input type="checkbox"/> Emergency (Gov. Code, § 11346.1(b))
<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.			
<input type="checkbox"/> Print Only	<input type="checkbox"/> Other (specify) _____		

3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)		
<input type="checkbox"/> Effective 30th day after filing with Secretary of State	<input type="checkbox"/> Effective on filing with Secretary of State	<input checked="" type="checkbox"/> Effective other (Specify) January 1, 1994

5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

<input type="checkbox"/> Department of Finance (Form STD. 399)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal
--	--	---

7. Other (Specify) _____

6. CONTACT PERSON	Frank Vitulli, Asst. Chief, Regulations Development Bureau	TELEPHONE NUMBER
		657-2586

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE



TYPED NAME AND TITLE OF SIGNATORY

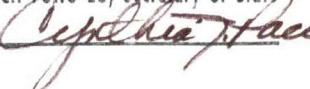
ELOISE ANDERSON, DIRECTOR

DATE

December 21, 1993

FILEDIn the office of the Secretary of State
of the State of California

DEC 28 1993

At 4:05 o'clock M.
MARCH FONG EU, Secretary of State
By 

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) (REVERSE)

INSTRUCTIONS FOR PUBLICATION OF NOTICE
AND SUBMISSION OF REGULATIONS

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

ALL FILINGS

Enter the agency name and agency file number, if any.

NOTICES

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

REGULATIONS

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

EMERGENCY REGULATIONS

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

NOTICE FOLLOWING EMERGENCY ACTION

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

CERTIFICATE OF COMPLIANCE

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

EMERGENCY REGULATIONS - READOPTION

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Amend Section 12-206 to read:

12-206 PERFORMANCE STANDARDS INCENTIVES - TIER I

12-206

.1 through .3 (Continued)

.4 The district attorney shall be paid the statutory compliance incentive rate and be exempt from corrective action and program improvement requirements of MPP Sections 12-203 and 12-204 if:

.41 The district attorney is assessed as or certified in compliance during the quarter in which a pre-conversion plan for the Statewide Automated Child Support System (SACSS) or the Automated Child Support Enforcement System (ACSES) Replacement System becomes effective, as provided by the Department, and subsequently has a finding of noncompliance under MPP Section 12-202 during the hold harmless eligibility period, as defined in MPP Section 12-206.411; or, the district attorney is assessed as or certified in compliance during any quarter in the hold harmless eligibility period and subsequently has a finding of noncompliance under MPP Section 12-202 during the hold harmless eligibility period.

.411 The hold harmless eligibility period is a temporary time period, during which the district attorney is preparing for and converting to the SACSS or the ACSES Replacement System.

(a) The hold harmless eligibility period shall start the date that pre-conversion activities actually begin as specified in the district attorney's approved pre-conversion plan or a maximum of 18 months prior to the scheduled conversion completion date, whichever is less, and shall end on the date that the district attorney is scheduled to complete conversion to the automated system.

.412 If there is a delay to the scheduled conversion completion date due to a state and/or vendor problem that is beyond the county's control, the Department shall extend the hold harmless eligibility period when the need for a significant level of staff resources continues to exist.

(a) The pre-conversion plan shall be modified to reflect the extended period and the district attorney shall be notified accordingly.

.413 The district attorney's pre-conversion plan must contain at least the following elements:

(a) All anticipated pre-conversion tasks.

(b) The projected beginning and ending dates of each task.

(c) The estimated staff resources required to complete each task.

.414 If the CDSS determines, through quarterly assessments, that a district attorney has failed to perform the specified pre-conversion tasks, the district attorney shall be disqualified from eligibility for hold harmless at the start of the quarter following the determination.

.415 Sixty (60) days after the end of the hold harmless eligibility period, the district attorney is entitled to the statutory base incentive rate in the following month.

(a) The district attorney shall develop and submit a program improvement report within the 60 days following the end of the hold harmless eligibility period, as specified in MPP Sections 12-203 and 12-204.

.416 If there is a finding of non-compliance from the federal government or a court-mandated corrective action during the hold harmless eligibility period, the district attorney is not exempt from any applicable corrective actions required.

.5 District attorneys that are paid the statutory compliance incentive rate pursuant to MPP Section 12-206.4, are not eligible for performance evaluation under MPP Section 12-207 and are not entitled to any statutory performance rate incentives.

Authority Cited: Sections 10553, 10554, 11475, and 11479.5, Welfare and Institutions Code.

Reference: Sections 15200.8, 15200.8(b)(1), 15200.85, and 15200.9, Welfare and Institutions Code.

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-93)

AGENCY

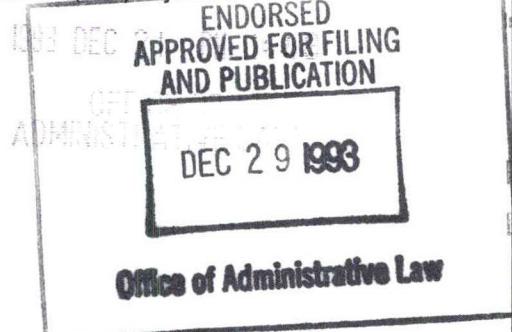
California Department of Social Services

(See instructions on reverse)

For use by Secretary of State only

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER	AGENCY FILE NUMBER (If any)
			93-122102E	1093-42

For use by Office of Administrative Law (OAL) only



NOTICE

REGULATIONS

FILED

the office of the Secretary of State
of the State of CaliforniaDEC 29 1993
At 4:40 O'clock M.
MARCH FONG EU, Secretary of State
by Cynthia J. Pace
Deputy Secretary of State

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Food Stamps--Elderly, Blind/ Disabled Aliens and Exempt Payments	TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action	4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	
OAL USE ONLY <input type="checkbox"/> ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified	<input type="checkbox"/> Disapproved/ Withdrawn	NOTICE REGISTER NUMBER	PUBLICATION DATE

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S)	ADOPT MPP Section 63-019
SECTIONS AFFECTED	AMEND Sections 63-403.1 and 63-501.3
	REPEAL

2. TYPE OF FILING

<input type="checkbox"/> Regular Rulemaking (Gov. Code, § 11346)	<input type="checkbox"/> Resubmittal	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)	<input checked="" type="checkbox"/> Emergency (Gov. Code, § 11346.1(b))
<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.			
<input type="checkbox"/> Print Only		<input type="checkbox"/> Other (specify) _____	

3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)		
<input type="checkbox"/> Effective 30th day after filing with Secretary of State	<input type="checkbox"/> Effective on filing with Secretary of State	<input checked="" type="checkbox"/> Effective other (Specify) January 1, 1994

5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

<input type="checkbox"/> Department of Finance (Form STD. 399)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal
--	--	---

 Other (Specify) _____

6. CONTACT PERSON Frank Vitulli, Assistant Chief, Regulations Development Bureau	TELEPHONE NUMBER 657-2586
---	------------------------------

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

TYPED NAME AND TITLE OF SIGNATORY
ELOISE ANDERSON, DIRECTOR

DATE

DEC 21 1993

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) (REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

ALL FILINGS

Enter the agency name and agency file number, if any.

NOTICES

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

REGULATIONS

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

EMERGENCY REGULATIONS

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

NOTICE FOLLOWING EMERGENCY ACTION

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

CERTIFICATE OF COMPLIANCE

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

EMERGENCY REGULATIONS - READOPTION

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Adopt Section 63-019 to read:

63-019 IMPLEMENTATION OF THE MICKEY LELAND MEMORIAL
DOMESTIC HUNGER RELIEF ACT, ELDERLY, BLIND OR
DISABLED ALIENS WITH TEMPORARY STATUS, AND EXEMPTION
OF RADIATION EXPOSURE COMPENSATION ACT PAYMENTS.

63-019

- .1 Effective January 1, 1994, the County Welfare Departments (CWDs) shall implement the following amended eligibility regulations for all food stamp applicants: Sections 63-403.1(i) and 63-501.3(k)(18).
- .2 Currently certified households shall be converted to the revised regulations at the time of recertification or at any time the casefile is reviewed prior to recertification.

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Sections 10554 and 18904, Welfare and Institutions Code and
Public Law 101-426.

Amend Section 63-403.1(i) to read:

63-403 CITIZENSHIP AND ALIEN STATUS

63-403

.1 Citizens and Eligible Aliens

CWD shall limit participation in the program to individuals who are residents of the United States and one of the following:

(a) through (h) (Continued)

(i) An alien who is defined as aged, blind, or disabled in accordance with Section 1614(a)(1) of the Social Security Act and who is considered to be lawfully admitted for permanent or temporary residence pursuant to Section 245A(b)(1) and 245A(h) of the INA. Such aliens may obtain lawful permanent resident status under Section 245A(b)(1) of the INA no earlier than November 7, 1988. (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7CFR 273.2(j)(3) and (4), 7 CFR 273.4(a)(8), 7CFR 273.10(b), 7 CFR 273.6, and U.S.D.A. Food and Nutrition Service Administrative Notice 92-30, Federal Register, Vol. 56, No. 233, page 63594; and ~~Welfare and Institutions Code~~ Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-501.3(k) to read:

63-501 RESOURCE DETERMINATIONS (Continued)

63-501

.3 Exclusions from Resources

In determining the resources of a household, only the following shall be excluded:

(a) through (j) (Continued)

(k) Resources which are excluded for food stamp purposes by federal statute. The following is a listing of some of the resources excluded by federal statute:

(1) through (17) (Continued)

(18) Payments received from the Radiation Exposure Compensation Trust Fund to an individual for certain diseases attributed to radiation exposure pursuant to the Radiation Exposure Compensation Act of 1990 (Public Law 101-426). (Continued)

Authority Cited: Sections 10553, 10554, 11209 and 18904, Welfare and Institutions Code.

Reference: Sections 10554, 18901, and 18904, Welfare and Institutions Code; 7 CFR 272.8(e)(17); 7 CFR 273.2(j)(4) and 7 CFR 273.8(e)(11) and (h); Public Law (P.L.) 100-50, Sections 22(e)(4) and 14(27), enacted June 3, 1987; P.L. 101-201; P.L. 101-426, Section 6(h)(2), as specified in U.S.D.A Food and Nutrition Service Administrative Notice 91-37; P.L. 101-508, Section 11111(b); P.L. 101-624, Section 1715; P.L. 102-237, Section 905, as specified in Federal Administrative Notice 92-12, dated January 9, 1992; Section 2466d., Title 20, United States Code (U.S.C); 7 U.S.C. 2014(d); 26 U.S.C. 32(j)(5); 42 U.S.C.A. 5122 as amended by P.L. 100-707, Section 105(i); U.S.D.A. Food and Nutrition Service Administrative Notice 91-30; and Index Policy Memo 90-22, dated July 12, 1990.

Memorandum

To : Secretary of State Archives

Date : January 3, 1994

File No. : 93-1221-05E

Telephone : (916) 323-6225

From : Michael McNamer
Senior Counsel

Subject : Lodging of STD. 400 bearing original signature

On December 31, 1993, this office filed with the Secretary of State, an emergency rulemaking action adopted by the California Department of Social Services designated Agency File Number RDB# 1093-43 and OAL Emergency Number 93-1221-05E. Inadvertently, the STD. 400 (cover sheet) for that action bearing the original signature of the Director of the Department of Social Services was not included in those materials. Thus, today we lodge it with you and ask that you attach it to the corresponding regulations filed on December 31, 1993.

Thank you for your assistance with this matter.

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

(See instructions on reverse)

Original
For use by Secretary of State only

EMERGENCY

California Department of Social Services

AGENCY FILE NUMBER (If any)

RDB# 1093-43

OAL FILE NUMBERS

NOTICE FILE NUMBER

REGULATORY ACTION NUMBER

EMERGENCY NUMBER

PREVIOUS REGULATORY ACTION NUMBER

93-1221-05E

For use by Office of Administrative Law (OAL) only

1993 DEC 21 PM 4:00

OFFICE OF
ADMINISTRATIVE LAW

FILED

In the office of the Secretary of State
of the State of California

DEC 3 1 1993

4:02 O'clock P. M.
MARSH TONG ELL Secretary of State
By *Eloise Anderson*
Deputy Secretary of State

NOTICE

REGULATIONS

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
GAIN Reform				
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
<input type="checkbox"/> Other				
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified		<input type="checkbox"/> Disapproved/ Withdrawn	NOTICE REGISTER NUMBER
				PUBLICATION DATE

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)				
TITLE(S)		ADOPT 42-775.		
MPP				
SECTIONS AFFECTED		AMEND 42-022; 42-710; 42-730; 42-750; 42-751; 42-760; 42-761; 42-781; 42-784; 42-786; 42-787. REPEAL		

2. TYPE OF FILING

<input type="checkbox"/> Regular Rulemaking (Gov. Code, § 11346)	<input type="checkbox"/> Resubmittal	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)	<input checked="" type="checkbox"/> Emergency (Gov. Code, § 11346.1(b))
<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.			
<input type="checkbox"/> Print Only	<input type="checkbox"/> Other (specify) _____		

3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

N/A

4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

 Effective 30th day after filing with Secretary of State Effective on filing with Secretary of State Effective other (Specify) January 1, 1994

5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

 Department of Finance (Form STD. 399) Fair Political Practices Commission State Fire Marshal Other (Specify) _____

6. CONTACT PERSON _____

Frank Vitulli, Assistant Chief, Regulations Development Bureau

TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

Eloise Anderson

TYPED NAME AND TITLE OF SIGNATORY

DATE

DEC 21 1993

Eloise Anderson, Director

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) (REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE
AND SUBMISSION OF REGULATIONS**

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ALL FILINGS

Enter the agency name and agency file number, if any.

NOTICES

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REGULATIONS

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

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EMERGENCY REGULATIONS

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NOTICE FOLLOWING EMERGENCY ACTION

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

CERTIFICATE OF COMPLIANCE

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

EMERGENCY REGULATIONS - READOPTION

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

EMERGENCY

AGENCY FILE NUMBER (if any)

RDB# 1093-43

OAL FILE
NUMBERS

NOTICE FILE NUMBER

REGULATORY ACTION NUMBER

EMERGENCY NUMBER

PREVIOUS REGULATORY ACTION NUMBER

93-1221-05E

For use by Office of Administrative Law (OAL) only

ENDORSED
APPROVED FOR FILING
AND PUBLICATION

DEC 31 1993

Office of Administrative Law

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State
of the State of California

DEC 31 1993

At 4:02 o'clock P.M.
MARCH 1994, Secretary of State
By *Eloise Anderson*

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE		TITLE(S)		FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
GAIN Reform					
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER	
OAL USE <input checked="" type="checkbox"/> ONLY		<input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn		NOTICE REGISTER NUMBER	PUBLICATION DATE

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)					
TITLE(S)		ADOPT 42-775.			
SECTIONS AFFECTED		AMEND 22-022; 42-710; 42-730; 42-750; 42-751; 42-760; 42-761; 42-781; 42-784; 42-786; 42-788 REPEAL			

2. TYPE OF FILING

<input type="checkbox"/> Regular Rulemaking (Gov. Code, § 11346)	<input type="checkbox"/> Resubmittal	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)	<input checked="" type="checkbox"/> Emergency (Gov. Code, § 11346.1(b))
<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.			

<input type="checkbox"/> Print Only	<input type="checkbox"/> Other (specify) _____
-------------------------------------	--

3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

N/A

4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

<input type="checkbox"/> Effective 30th day after filing with Secretary of State	<input type="checkbox"/> Effective on filing with Secretary of State	<input checked="" type="checkbox"/> Effective other (Specify) January 1, 1994
--	--	---

5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

<input type="checkbox"/> Department of Finance (Form STD. 399)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal
--	--	---

<input type="checkbox"/> Other (Specify) _____
--

6. CONTACT PERSON

Frank Vitulli, Assistant Chief, Regulations Development Bureau

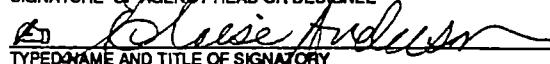
TELEPHONE NUMBER

657-2586

7.

I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE



TYPED NAME AND TITLE OF SIGNATORY

Eloise Anderson, Director

DATE

DEC 21 1993

Amend Section 22-022.5 to read:

22-022 TIMELY NOTICE - AID PENDING HEARING (Continued)

22-022

.5 Except as provided in Sections 22-054.1, 22-022.6, 22-023.122 and 41-440.12(i), when the claimant files a request for a state hearing prior to the effective date of the notice of action, which is subject to Section 22-022.1, aid shall be continued in the amount that the claimant would have been paid if the proposed action were not to be taken, provided the claimant does not voluntarily and knowingly waive aid. This section shall not apply to Greater Avenues for Independence (GAIN) supportive services payments (see Section 42-750.712). In the Food Stamp Program, benefits shall be continued on the basis authorized immediately prior to the notice of adverse action.

(Continued)

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Reference: Sections 10553, 10554, 10613, 11209, and 11511(a), Welfare and Institutions Code; 45 CFR 205.10; 45 CFR 255.2(h)(2); 45 CFR 256.2(c); and 45 CFR 256.4(d).

Amend Section 42-710 to read:

42-710 INTRODUCTION TO GAIN (Continued)

42-710

.3 Definitions for Terms Used in This Chapter (Continued)

(k) "Participant" means a mandatory or voluntary registrant who is ~~required~~
~~to~~ participating in GAIN. (Continued)

(r) "SCDSS" means the ~~State~~ California Department of Social Services.
(Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference:

Sections 11320, 11320.2, 11320.4, 11320.6, 11320.8, 11321,
11321.2, 11321.4, 11321.6, 11321.8, 11322, 11322.2, 11322.4,
11322.6, 11322.8, 11323, 11323.1, 11323.15, 11323.2, 11323.4,
11323.6, 11323.8, 11324, 11324.2, 11324.4, 11324.6, 11324.8,
11325, 11325.2, 11325.4, 11325.6, 11326, 11326.2, 11326.4,
11326.6, 11326.8, 11327, 11327.2, 11327.4, 11327.5, 11327.6,
11327.8, 11328, 11328.1, 11328.2, 11328.4, 11328.6, 11328.8,
11329, 11329.2, 11329.4 and 11329.5 Welfare and Institutions
Code.

13280

Amend Section 42-730 to read:

42-730 GAIN JOB, TRAINING, AND EDUCATION SERVICES

42-730

.1 The CWD may provide job, training, and education services directly to program participants, or by referral to services provided by the PIC. The CWD also shall enter into contracts or interagency agreements as specified in Sections 42-740, 42-741, and 42-742 with private or public agencies for the provision of these services when not provided directly by the CWD. The CWD shall be responsible for receiving and resolving complaints regarding displacement as described in .13 and .329 below. (Continued)

.13 An employment or training program position, other than a PREP position (see Section 42-730.329), may not be created as a result of, or may not result in, any of the following:

.131 Displacement, or partial displacement, of current employees, including, but not limited to, a reduction in regular work hours and overtime differently worked by these employees hours, wages or employment benefits. (Continued)

.3 Training services shall include: (Continued)

.32 Preemployment Preparation (PREP) (Continued)

.328 Time worked in public agency PREP positions shall apply toward the participant's seniority in the merit public agency positions only if permitted under state or federal law, local ordinance or applicable collective bargaining agreements.

.329 A PREP position may not be created as the result of, or may not result in, any of the following:

(a) Displacement, or partial displacement, of current employees, including, but not limited to, a reduction in regular work hours and overtime differently worked by these employees hours, wages or employment benefits. (Continued)

10604

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11322.6(f), 11322.6(f)(2), 11322.8(h)(6), 11323, 11323.15, 11324.2(a)(2), 11324.4(b), 11324.6, and 11330.7, Welfare and Institutions Code; 45 CFR 250.60(c) and (d); and 45 CFR 250.62(b)(2); and 45 CFR 251.3(a).

Renumber Section 42-750.7 to Section 42-750.12 and amend Section 42-750 to read:

42-750 SUPPORTIVE SERVICES

42-750

.1 Supportive services shall be provided to GAIN registrants to enable them to participate in GAIN activities or to accept employment opportunities. Child care supportive services shall also be provided for children of Indian Tribal JOBS Program participants. As specified in Section 42-782.1(g) or 42-783.1(k), participation shall not be required if the needed services are not available, not arranged, or are insufficient to meet the participant's needs. (Continued)

.712 When a participant requests a hearing within the period of timely notification (see Section 22-022.5) to appeal a suspension, reduction or termination of GAIN supportive services or a change in the method of providing such services, the participant shall not be entitled to a continuation of GAIN supportive services in the same amount or form pending the hearing decision. The participant shall be entitled to supportive services only at the level and in the form authorized by the county action under appeal. (Continued)

.4 Reasonable transportation costs shall be paid for every participant to and from his or her GAIN assignment, including transportation to and from the child care provider, and transportation for children to and from child care.

.41 Regional market rates for transportation shall be determined as follows: (Continued)

.416 Participants who are in approved on-the-job training, grant diversion, supported work, or transitional employment assignments and who continue to receive an AFDC grant shall be eligible for transportation expense payments in accordance with Section 42-750.7.

.5 Ancillary expenses shall be paid when necessary to participate in approved GAIN activities or to accept employment opportunities. These expenses shall include books, tools, clothing, fees, and other necessary costs of a work, education or training assignment. (Continued)

.55 Participants who are in approved on-the-job training, grant diversion, supported work, or transitional employment assignments and who continue to receive an AFDC grant shall be eligible for ancillary expense payments in accordance with Section 42-750.7. (Continued)

.7 Participants who are in on-the-job training, grant diversion, supported work, or transitional employment assignments and who continue to receive an AFDC grant shall be eligible for transportation and ancillary expense payments in accordance with Sections 42-750.4 and .5 for the duration of his/her assignment, to the extent the need for transportation and ancillary expense payments exceed the AFDC standard work expense disregard as specified in Section 44-113.214.

.71 The CWD shall determine the amount of the transportation and/or ancillary expense payment based on a calculation of the amount of transportation and/or ancillary expense payment requested by the participant and approved by the CWD minus the standard work expense disregard.

.711 The CWD shall apply the standard work expense disregard when the earnings are equal to or in excess of the disregard amount. The CWD shall apply the actual amount of earnings, rounded to the next lower dollar, when the earnings are less than the standard work expense disregard.

(a) For purposes of the calculation described in Sections 42-750.71 and .711 and in the absence of a monthly eligibility report, the CWD shall use an estimate of monthly earnings provided by the participant.

(1) The calculations specified in Section 42-750.711 and 42-750.711(a) shall apply to advance payments and reimbursements.

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(b) The participant has requested a \$50 transportation expense payment for May. The participant indicates that the earnings posted on the monthly eligibility report will be \$40. Based on the estimated earnings, the CWD reduces the GAIN transportation expense payment by \$40. The GAIN transportation payment will be \$10.

Monthly eligibility report earnings \$40

GAIN transportation expense payment request \$50

Work expense disregard -\$40

GAIN transportation expense payment = \$10

(c) The participant requests a \$50 transportation expense payment in July. The participant specifies that the monthly eligibility report for July will show earnings of \$100. Based on the estimated earnings the GAIN transportation expense payment is \$0. In August, the county receives the July monthly eligibility report with earnings of \$100.

<u>Monthly eligibility report earnings</u>	<u>\$100</u>
<u>GAIN transportation expense payment request</u>	<u>\$ 50</u>
<u>Work expense disregard</u>	<u>-\$ 90</u>
<u>GAIN transportation expense payment</u>	<u>=\$ 0</u>

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.712 The CWD shall inform the participant prior to the beginning of the assignment of the procedures specified in Section 42-750.7.

.713 The CWD shall notify the participant of any changes to existing supportive services payments as specified in Section 42-750.8.

.714 Transportation and/or ancillary expense payments subject to the procedures specified in Sections 42-750.7 and .711 shall include on-going expenses necessary for participation in an on-the-job training, grant diversion, supported work, or transitional employment assignment.

(a) On-going transportation expenses shall include, but are not limited to, gasoline expenses, public transportation costs, and monthly parking fees.

(b) On-going ancillary expenses shall include but are not limited to, monthly training supplies costs.

.715 One-time transportation and/or ancillary expenses payments shall not be subject to the procedures specified in Sections 42-750.7 and .711.

(a) One-time transportation and/or ancillary expense payments shall be determined in accordance with Sections 42-750.4 and .5.

(b) One-time transportation expenses shall include but are not limited to, transportation costs necessary to accept employment in the first month of the assignment; this will include necessary transportation expenses prior to receipt of the first pay check.

(c) One-time ancillary expenses shall include, but are not limited to, drivers license fees, books, and clothing specific to the assignment.

(d) One-time transportation and/or ancillary expenses that recur during a subsequent assignment may be approved for payment as specified in Sections 42-750.4 and .5.

.716 In a month in which a transportation expense payment, as specified in Section 42-750.4 and an ancillary expense payment, as specified in Section 42-750.5 are requested, the CWD shall apply the work expense disregard one time to the combination of the requested expenses.

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(a) The participant requests a \$100 on-going transportation expense payment and a \$20 on-going ancillary expense payment for May. The CWD adjusts the supportive services payments for May based on the participant's estimated earnings for May of \$95. Because the estimated earnings exceed the standard work expense disregard, the CWD reduces the combined supportive services request (\$120) by the standard work expense disregard. The CWD then owes the difference of \$30 to the participant. The participant requests that the \$30 be applied to the transportation expense payment.

<u>Estimated earnings</u>	<u>\$ 95</u>
<u>Transportation expense request</u>	<u>\$100</u>
<u>Ancillary expense request</u>	<u>+ 20</u>
	<u>=\$120</u>
<u>Work expense disregard</u>	<u>- 90</u>
<u>GAIN transportation payment</u>	<u>=\$ 30</u>

HANDBOOK ENDS HERE

.717 In a month in which an on-going transportation and/or ancillary expense payment is advanced or reimbursed to the participant based on an estimate of earnings and the payment exceeds the amount the participant is entitled to receive as specified in Sections 42-750.7 and .711, the CWD shall adjust the subsequent month's transportation and/or ancillary expense payment(s) to recover the excess amount paid.

- (a) The CWD shall notify the participant of the adjustment to future transportation and/or ancillary expense payments as specified in Section 42-750.8.
- (b) If, upon receipt of the notice specified in Section 42-750.717(a), the participant indicates that the adjustment based on the excess amount paid will preclude participation in the program or prevent employment, the county shall:
 - (1) Not adjust the next payment; and
 - (2) Follow the overpayment recovery procedures specified in Section 42-751.
- (c) Except as specified in Section 42-750.717, if the county is unable to collect in part or in full the over paid amount the county shall collect the remaining portion using the appropriate overpayment recovery procedures specified in Section 42-751.

.718 In a month in which an on-going transportation and/or ancillary expense payment has been paid to the participant based on approximate earnings, and the monthly eligibility report shows earnings less than the estimated earnings used, the CWD shall recalculate the payment and determine whether the supportive services payment made was less than that to which the participant was entitled as specified in Section 42-750.711.

(a) Any amount owed to the participant shall be provided within 20 calendar days as specified in Section 42-751.11.

(Continued)

Authority Cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code.

Amend Section 42-751 to read:

42-751 UNDERPAYMENTS AND OVERPAYMENTS OF SUPPORTIVE SERVICES

42-751

.1 Definitions

.11 Underpayments occur when it has been determined by the county that supportive service payments made to the participant, or the value of services provided on behalf of the participant, are less than those to which he/she is entitled as specified in Section 42-750. (Continued)

.12 Overpayments occur when it has been determined by the CWD that supportive services payments made to the participant, or the value of services provided on behalf of the participant, exceed those to which he/she is entitled as specified in Section 42-750. (Continued)

.121 The amount subject to collection procedures specified in Section 42-751.2, includes: (Continued)

(c) Payments provided which exceed those to which the participant is entitled when applying the standard work expense disregard for participants in on-the-job training, grant diversion, supported work or transitional employment assignments pursuant to the provisions of Section 42-750.7.
(Continued)

10604

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11323.4(b) and (d)(1), and 11328, Welfare and Institutions Code, AB 312, Chapter 1568, Statutes of 1990; 45 CFR 205.10, 255.2(h)(1) and 255.4(j); and 54 FR 42234, October 13, 1989; JOBS-FSA-AT-91-5.

Amend Section 42-760 to read:

42-760 GAIN REGISTRATION

42-760

.1 Unless exempt as specified in Sections 42-788 through 42-7989, the following individuals are automatically registered for GAIN: (Continued)

16604

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554, and 11320.4(e), Welfare and Institutions Code, AB 312, Chapter 1568, Statutes of 1990; 45 CFR 250.90, 45 CFR 250.94(a)(2), 45 CFR 250.95(b) and 45 CFR 250.97(f)(7).

Amend Section 42-761 to read:

42-761 GAIN REGISTRANT APPRAISAL

42-761

.1 Except as specified in .2 below, the CWD shall conduct an appraisal as soon as administratively possible, but within 20 working days from the date the recipient/applicant or caretaker relative signs the AFDC Statement of Facts in the presence of an eligibility worker.

.11 The CWD shall not conduct the appraisal activities specified in Sections 42-761.3 through 42-761.43, for individuals excluded from program participation in accordance with Sections 42-720.63 through ~~.6433~~, unless the individuals are permitted to participate pursuant to Section 42-720.66 ~~or Section 42-720.67~~. The CWD shall collect data on these excluded individuals in conformity with DSS requirements.

(Continued)

.3 Appraisal activities shall include the following: (Continued)

.39 Enter into a basic contract with the registrant as provided in Section 42-772 unless deferred.

.4 All of the following registrants shall have good cause for not participating and shall be deferred from mandatory participation until the CWD determines that the situation precluding participation no longer exists: (Continued)

(a) A parent of other adult relative who is caring for a child who meets the age requirements of Section 42-701.1 when the other parent of adult relative meets the following conditions:

(1) the other parent of adult relative is in the home;

(2) the other parent of adult relative does not meet any of the exemption criteria specified in Sections 42-789 through 42-793; and

(3) the other parent of adult relative is participating in the program.

(b) (Continued)

(c) (Continued)

(d) (Continued)

.41 Deferral determinations for individuals meeting the criteria of Sections 42-761.4(e) and (b) shall be made prior to Appraisal.

.411 Data collection activities specified in Section 42-720.7 and deferral review activities specified in Section 42-761.43 are not required for individuals meeting the criteria of Sections 42-761.4(e) and (b). (Continued)

.43 The CWD shall document the projected length of time of the deferral.

.431 The CWD shall review the deferral situation periodically in accordance with the projected length of time of the deferral, but no less often than every six months annually. (Continued)

10604

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11323.15, 11323.2(a), 11323.4(d)(1), 11323.6(d)(1), 11325, 11325.2(c)(7) and 11330.3, Welfare and Institutions Code; 45 CFR 250.1; 45 CFR 250.41(a)(1)(i) and (b); 45 CFR 250.48(a) and 45 CFR 255.2(a); and 54 FR 42184, October 13, 1989.

Adopt Section 42-775 to read:

42-775 GAIN PARTICIPATION REQUIREMENTS FOR AFDC-U PARENTS

42-775

- .1 Notwithstanding the provisions of Sections 42-772 and 42-774, one parent in a family eligible for aid due to the unemployment of the principal earner shall be required to participate as specified in this section.
- .2 Following registration and appraisal, described in Sections 42-760 and 42-761, the parent subject to the provisions of this section shall be required to participate in an employment activity as specified in Section 42-775.3.
- .21 If, based on the appraisal, the county is unable to determine the appropriate employment activity, the parent shall be referred to assessment and development of an employment plan as described in Section 42-773.
 - .211 The county's criteria for determining when assessment is appropriate shall be subject to approval by CDSS.
- .3 Upon completion of appraisal or assessment, as appropriate, the parent shall be required to participate in at least one of the following employment activities for an average of at least 16 hours per week:
 - .31 Preemployment preparation (PREP) as described in Section 42-730.32.
 - .311 If the required number of PREP participation hours, determined in accordance with Section 42-730.323, is less than 16 hours per week, participation for the required number of PREP hours will satisfy the 16-hour per week requirement.
 - .32 On-the-job training (OJT) as described in Section 42-730.33.
 - .33 Any activity funded by grant diversion as specified in Sections 42-730.33, .34 and .4.
 - .34 Unsubsidized employment of 16 or more hours per week.
 - .341 Unsubsidized employment of fewer than 16 hours per week may be combined with an employment activity or activities specified in this section.
- .4 Notwithstanding any other provisions of these regulations, concurrent participation in an employment activity listed in Section 42-775.3 and any other program activity may be required as needed to meet the participant's employment goal.

.41 Except as specified in Section 42-775.5, participation in an activity other than those specified in Section 42-775.3 shall not count toward the 16-hour per week requirement.

.42 For purposes of long-term basic PREP, cause determination, conciliation and sanctions (Sections 42-774.3, 42-781 and 42-786), participants shall participate and maintain satisfactory progress in each assigned activity.

.43 The county's criteria for determining when concurrent participation is appropriate shall be subject to approval by CDSS.

.5 For parents under age 25 who do not possess a high school diploma or equivalent, participation in education activities as described in Section 42-730.5 may be required in lieu of the activities specified in Section 42-775.3.

.51 For purposes of Section 42-775.5, participants who maintain satisfactory progress in the educational activity, as specified in Section 42-772.511, shall satisfy the 16-hour per week requirement.

.511 If, in accordance with Section 42-772.511, it is determined that the parent is unable to maintain satisfactory progress, he/she shall be referred to one of the following:

(a) a different educational program which meets the special needs of the participant and is consistent with the employment goal;

(b) reassessment; or,

(c) an employment activity described in Section 42-775.3.

.52 Notwithstanding any other provision of these regulations, concurrent participation in an educational activity pursuant to Section 42-775.5 and an employment activity described in Section 42-775.3 or any other program activity may be required.

.521 Only the hours of participation in an educational activity and an employment activity described in Section 42-775.3 shall count toward the 16-hour per week requirement.

.522 For purposes of long-term basic PREP, cause determination, conciliation and sanctions (Sections 42-774.3, 42-781 and 42-786), participants shall participate and maintain satisfactory progress in each assigned activity.

.523 The county's criteria for determining when concurrent participation is appropriate shall be subject to approval by CDSS.

.6 For purposes of this section, the participant's hours of participation may be averaged over a one-month period so that the average equals or exceeds 16 hours per week for that month.

10604

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11320.8(a), 11322.4(f), 11322.8(f) and (g), 11323.15, 11325, 11325.2(~~M~~(7) and (c)(9), 11325.8(b), and 11327.4(a), Welfare and Institutions Code; 45 CFR 250.33; 45 CFR 250.41; 45 CFR 250.74(c)(1); 42 U.S.C. 603(1)(4)(A) and (B)(i); and JOBS-ACF-AT-93-7.

11325.2 (C)(7)

Amend Section 42-781 to read:

42-781 CAUSE DETERMINATIONS AND CONCILIATION

42-781

- .1 Before sanctions (Section 42-786) are applied, the CWD shall determine if there is good cause and attempt to resolve the problems when an individual who is required to enter into a participant contract or who volunteers to participate in the program fails or refuses to comply with program requirements.
 - .11 Failing or refusing to comply with program requirements is limited to:
 - .111 Failing or refusing to enter into a participant contract.
 - /111 (a) (Continued)
 - .112 Failing or refusing to participate in any assigned program activity.
 - .113 Failing or refusing to accept a job offer or a job referral.
 - .114 Terminating employment
 - /141 (a) (Continued)
 - .115 Reducing earnings
- .2 The CWD shall give the individual an opportunity to demonstrate that he/she had good cause for the failure or refusal to comply with program requirements.
 - .21 The CWD shall send the individual a written appointment notice to meet and discuss the reason(s) for the failure or refusal. The CWD shall make reasonable efforts to send this notice at least six working days prior to the scheduled interview. The interview for determination of cause shall be scheduled to occur within ten working days of the discovery of the refusal or failure.
 - .211 The notice shall contain the following information: (Continued)
 - (g) A statement that, after the cause determination has been made, the individual has the right to a conciliation period that shall not exceed ~~30~~ 20 calendar days if the CWD finds that the failure or refusal to comply with program requirements was without good cause. (Continued)
 - (k) The consequences of the individual's failure to resolve the dispute by the end of the ~~30~~ 20-calendar-day conciliation period. (Continued)

.22 If the individual contacts the worker prior to or within one working day following the scheduled interview to request a rescheduling, the individual shall be permitted one reschedule of the cause determination interview. This rescheduled interview shall take place within ~~10~~ five working days of the initially scheduled appointment, unless delayed by extenuating circumstances. (Continued)

.25 A cause determination shall be made within ~~70~~ 15 working days from the date of the discovery of the failure or refusal to comply with program requirements, unless delayed by extenuating circumstances which shall include: (Continued)

.4 If the CWD determines that no good cause existed for the failure or refusal to comply with program requirements, the CWD shall conduct conciliation.

.41 The CWD shall schedule an appointment at which the CWD and the individual shall attempt to reach agreement on program participation and resolve any problems that are contributing to the failure or refusal to comply with program requirements. The CWD shall issue a written notice informing the individual of the results of the good cause determination and of the conciliation appointment. The notice shall be issued within five working days of the cause determination, unless delayed by extenuating circumstances. The ~~70~~ 20-calendar-day conciliation period begins on the date the CWD issues the notice informing the individual of the conciliation appointment.

.411 The notice that begins conciliation shall be issued at least six working days prior to the scheduled appointment and shall contain all of the following: (Continued)

(c) A statement that the individual has entered into a period of conciliation that shall not exceed ~~70~~ 20 calendar days. (Continued)

(k) The consequences of the individual's failure to resolve the dispute by the end of the ~~70~~ 20-calendar-day conciliation period. (Continued)

.6 The conciliation period shall not exceed ~~70~~ 20 calendar days.

.61 Either the individual or the CWD shall be permitted to terminate conciliation before the end of the ~~70~~ 20-calendar-day period if one of the following conditions is met: (Continued)

.62 An extension of the conciliation period for 10 calendar days shall be available upon agreement in writing by the individual and the CWD only if both of the following conditions are met:

.621 The individual has made a reasonable effort to conciliate during the initial ~~70~~ 20-calendar-day period and significant progress has been made toward a resolution of the dispute; and (Continued)

.81 The CWD shall issue the individual a written appointment notice to meet and discuss the problem. The appointment shall be held within 10 working days of the discovery of the failure or refusal to meet the terms of the agreed-upon conciliation plan, unless the CWD is delayed by extenuating circumstances, which shall include insufficient time to issue the notice required in Section 42781.81 at least six working days prior to the scheduled appointment.

.811 The notice shall contain the following information:

- (a) A statement that the appointment is to determine if the individual had good cause for not complying with the terms of the conciliation plan;
- (b) A description of the conciliation plan requirements with which the individual failed or refused to comply;
- (c) A statement that the individual has the right to demonstrate why he/she failed or refused to comply with the terms of the conciliation plan;
- (d) The date, time and location of the scheduled appointment;
- (e) A statement that transportation and child care services are available if needed in order to attend the appointment;
- (f) A listing of what may constitute good cause for failing or refusing to comply with the terms of the conciliation plan;
- (g) A statement that the individual's failure to attend this appointment shall result in a cause determination in his/her absence, based on available information;
- (h) The names, telephone numbers, and addresses of the local legal services office and welfare rights office, or the condition of California Welfare Rights Organization, if there are no welfare rights or legal aid offices in the county, which could assist the individual with this cause determination;
- (i) A statement that the individual shall be subject to sanctions if he/she is found to be without good cause for not complying with the terms of the conciliation plan.

.81 The CWD shall make reasonable efforts to contact the individual to determine if the individual had good cause for failing or refusing to comply with the conciliation plan.

.811 "Reasonable efforts" include, but are not limited to, a written or telephone contact.

- (a) The county shall document in the case file its efforts to contact the individual.

.812 If the individual who fails or refuses to comply with program requirements is an unemancipated 16 or 17 year old custodial parent as described in Section 42-772.73 who lives with his or her parent(s) or legal guardian, the CWD shall also ~~send make~~ a ~~notif& reasonable effort to contact~~ the individual's parent(s) or legal guardian.

The parent(s) or legal guardian shall be allowed to attend any meetings between the CWD and the teenage parent that are designed to encourage the noncooperating teenage parent to participate.

.82 If the ~~individual fails to attend the appointment~~ CWD is unable to contact the individual, the CWD shall make a cause determination in his/her absence, based on available information. (Continued)

.84 If the CWD determines that no good cause existed for the failure or refusal to fulfill the terms of the agreed-upon conciliation plan, the individual shall be ~~subject to sanctions~~ sanctioned as specified in Section 42-786.

.9 If, at the end of the ~~10~~ 20-calendar-day conciliation period, the individual continues to fail or refuse to comply with program requirements, the CWD shall follow the procedures in Section 42-786 for sanctions.

10604

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Amend Section 42-784 to read:

42-784 METHOD OF DETERMINING NET LOSS OF INCOME FOR GAIN
GOOD CAUSE CRITERIA (Continued)

42-784

.4 Post employment income shall be determined as follows: (Continued)

.44 If the family would remain eligible for aid, add the amount of cash assistance that would be received if the job were accepted to the amount determined in Sections 42-784.42 and 42-784.43.

1441 For purposes of this section, the AFDC one-third disregard shall be excluded when determining the amount of cash assistance.

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.5 Examples

.51 The participant's assistance unit consists of a single mother and two children, one of whom needs child care. The assistance unit is receiving a maximum aid payment (MAP) of \$894 per month and has no net nonexempt income. The minimum basic standard of adequate care (MBSAC) for a family of three is \$715*; the maximum aid payment (MAP) is \$607. There is no unearned income.

* All amounts are for illustration purposes only.

The participant is offered a job that pays \$750 per month, which is insufficient to immediately make the family ineligible for aid, as it does not exceed 185% of the minimum basic standard of adequate care (MBSAC). Mandatory deductions are estimated to be \$150 per month; child care is estimated to be \$250 per month; and transportation is estimated to be \$100 per month. The participant is not eligible for TCC because the grant calculation, excluding the one-third disregard, does not make the family ineligible for aid. Because the family remains eligible for aid, the estimated child care cost will be used in the NLI calculation as the participant is not eligible for TCC; the participant is eligible for supplemental child care (SCC).

The AFDC grant/ excluding the one-third disregard/ is calculated as follows:

Gross earnings from job offered	\$750
- Standard work expense disregard	- 90
- \$30 disregard	- 30
<u>Subtotal</u>	<u>\$ 630</u>
- <u>One-third disregard (of subtotal)</u>	<u>-210</u>
- Child care disregard for one child	-175
+ <u>Net Unearned income</u>	<u>+ 0</u>
TOTAL NET INCOME	\$455 245

<u>MAP MBSAC</u> for a family of three	<u>\$894 715</u>
- Net income	<u>-433 245</u>
<u>TOTAL NEW POTENTIAL GRANT</u>	<u>\$279 470</u>
<u>MAP for a family of three</u>	<u>\$607</u>
<u>NEW CASH GRANT AMOUNT</u>	<u>\$470</u>
<u>(lesser of POTENTIAL GRANT and MAP)</u>	

The calculation for post-employment income, to determine if a net loss of income exists, is:

Current Income	<u>\$894 607</u>
Gross earnings from job offered	<u>\$750</u>
- Mandatory deductions	<u>-150</u>
- Actual <u>Estimated</u> child care	<u>-250</u>
- Transportation	<u>-100</u>
+ Net nonexempt <u>Unearned</u> income	<u>+ 0</u>
+ Cash grant	<u>+279 470</u>
+ <u>Supplemental child care</u>	<u>+ 75</u>
<u>TOTAL POST-EMPLOYMENT INCOME</u>	<u>\$489 795</u>

Because the post-employment income of \$489 795 per month is less more than the current income of \$894 607 per month, the participant is not would be required to accept the job as it would not result in a net loss of income.

.52 The participant's assistance unit consists of a single mother and ~~two~~ three children, ~~one~~ all of whom need~~s~~ child care; one child is under two. The MBSAC for a family of four is \$848; ~~The assistance unit family has no unearned income of \$30 per month and receives an aid payment MAP of \$844 \$723 per month.~~

The participant is offered a job that pays \$1100 \$750 per month, which is insufficient to immediately make the family ineligible for aid, as it does not exceed 185% of MBSAC. Mandatory deductions are estimated to be \$220 \$150 per month; child care is estimated to be \$250 \$900 per month; transportation is estimated to be \$100 per month. ~~The participant is eligible for TCC because the grant calculation/excluding the one child disregarded makes the family ineligible for aid. Because the family does not remain eligible for aid, the TCC share of cost will be used in the NLI calculation participant is not eligible for TCC; therefore, the estimated child care costs will be used in the NLI calculation. The participant is eligible for SCC.~~

The AFDC grant/ ~~excluding the one-third disregard/~~ is computed calculated as follows:

Gross earnings from job offered	\$1100 750
- Standard work expense disregard	- 90
- \$30 disregard	- 30
Subtotal	\$ 630
- <u>One-third disregard (of subtotal)</u>	-210
- Child care disregard for one child three children	-175 420**
+ Unearned income	+ 30
 TOTAL NET INCOME	\$ 855 - 0
 MAP MBSAC for a family of wife four	\$ 894 848
- Net income	-855 0
 TOTAL NEW POTENTIAL GRANT	\$ 0 848
 MAP for a family of four	\$ 723
 NEW CASH GRANT AMOUNT (lesser of POTENTIAL GRANT and MAP)	\$ 723

The calculation for post-employment income, to determine if a net loss of income exists, is:

Current Income	\$ 894 723
Gross earnings from job offered	\$1100 750
- Mandatory deductions	-220 150
+ 100 share of cost	+ 21
- Estimated child care	-900
- Transportation	-100
+ Net non-exempt Unearned income	+ 30
+ Cash grant	+ 0 723
+ Supplemental child care	+480
 TOTAL POST-EMPLOYMENT INCOME	\$ 899 803

Because the post-employment income of \$899 \$803 per month exceeds the current income of \$894 \$723 per month, the participant is required to accept the job, as there is no net loss of income.

** Although the participant qualified for a child care disregard in the amount of \$550, only \$420 was applied as that was the amount left from the earnings after applying the other disregards.

.53 The participant's assistance unit consists of a single mother and two children, one both of whom needs child care. The assistance unit MBSAC for a family of three is \$715; the family is receiving a MAP of \$894 \$607 per month and has no net nonexempt unearned income.

The participant is offered a job that pays \$1300 \$1400 per month, which immediately makes would make the family ineligible for aid, as it does exceed 185% of the MBSAC. The participant is not eligible for TCC because she has not received aid for three of the past six months. Because the family would be ineligible for AFDC, she is also ineligible for supplemental child care. Therefore, estimated child care costs will be used in the NLI calculation. Mandatory deductions are estimated to be \$280 \$280 per month; child care is estimated to be \$280 \$500 per month; and transportation is estimated to be \$100 per month.

A grant calculation is not required because the family is immediately would be ineligible for aid.

The calculation for post-employment income, to determine if a net loss of income exists, is:

Current Income	\$ 894	607
Gross earnings from job offered	\$1300	1400
- Mandatory deductions	-280	280
- <u>Actual</u> <u>Estimated</u> child care	-280	500
- Transportation	-100	
+ <u>Net</u> <u>nonexempt</u> <u>Unearned</u> income	+ 0	
+ Cash grant	+ 0	
<u>TOTAL POST-EMPLOYMENT INCOME</u>	\$ 890	520

Because the post-employment income of \$890 \$520 per month is less than the current income of \$894 \$607 per month, the participant is not required to accept the job as there is would be a net loss of income.

HANDBOOK ENDS HERE

10604

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11328(k), Welfare and Institutions Code, AB 312, Chapter 1568, Statutes of 1990; and 45 CFR 250.35(c); and 54 FR 42174.

Amend Section 42-786 to read:

42-786 GAIN SANCTIONS (Continued)

42-786

.3 During the sanction period, aid shall be discontinued to the individual or assistance unit as specified below:

.31 If the individual who failed or refused to participate is: (Continued)

.314 A parent in a family whose sole basis of deprivation is the unemployment of the principal earner, his/her aid shall be discontinued. In addition, if the sanctioned parent's spouse or the second parent is not participating in the program, aid to the spouse or second parent shall also be discontinued except as specified in Section 42-786.314(b).

- (a) For purposes of this section, full-time employment of at least 430 hours per week at minimum wage or above shall satisfy the participation requirement for the spouse or second parent as specified in Section 42-786.314.
- (b) For purposes of this section, ~~whether~~ the exemption criteria specified in Sections 42-7895 through 42-7996 ~~of the deferral criteria specified in Section 42-781/4 shall not apply to the spouse or second parent. If the spouse or second parent meets any other exemption, deferral or good cause criteria, as described in Sections 42-788 through 42-794, 42-797 through 42-799, 42-761.4 or 42-782, he/she shall not be required to participate in order for his/her aid to continue.~~ (Continued)
- (g) If the spouse or second parent chooses to participate and subsequently fails or refuses to comply with program requirements, prior to the reinstatement of the sanctioned first parent, he/she shall be subject to the provisions of Section 42-781 and this section. aid for the spouse or second parent shall be discontinued. This discontinuance shall be effective the first day of the first payment month, following the date of the noncompliance and the County's timely notice and shall continue until the first parent has cured his/her sanction.
(i) The following provisions do not apply to a spouse or second parent who chooses to participate to avoid the first parent's sanction and subsequently fails or refuses to comply with program requirements!
(ii) Exemptions as specified in Sections 42-789 through 42-799,
(iii) deferrals as specified in Section 42-781/4

10) cancellation as specified in 42-7811 and

10) good cause as specified in Sections 42-782
through 42-7841

.4 The discontinuance from aid shall become effective at the end of the month following the CWD's timely and adequate notification (see Section 22-022.1), except as specified in Sections 42-786.41 and 42-787.61 below:

.41 If the recipient appeals the sanction through the state hearing process within the period of timely notification, no sanction shall be imposed until the hearing decision is reached. However, pending the hearing decision, GAIN supportive services shall be available to the recipient only at the level and in the form authorized by the county action under appeal. (See Section 42-750.712.) (Continued)

.5 The CWD shall arrange for a protective payee in accordance with Section 44-309 as specified in Sections 42-786.311 and 42-786.314(10). (Continued)

10604

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 11323.15, 11327.4(j), 11327.5(b), (c)(1)(A) and (B), (2) and (3) and (d), Welfare and Institutions Code; 45 CFR 250.30(b)(7); 45 CFR 250.34(c)(2) and (3); 45 CFR 255.2(h)(2); and 54 FR 42173, October 13, 1989; and JOBS-ACF-AT-92-5.

Amend Section 42-787 to read:

42-787 GAIN STATE HEARING AND FORMAL GRIEVANCE (Continued)

42-787

.1 State Hearing (Continued)

.13 With the exception of GAIN supportive services (see Section 42-750.712), aid will continue if the individual appeals through the state hearing process within the period of timely notification (see Section 42-786.41).

.2 Formal Grievance (Section 5302 of the Unemployment Insurance Code)

.21 The procedures established for a formal grievance by the Unemployment Insurance Code are the same as those required for a cause determination and ~~formal~~ conciliation as specified in Section 42-781. These procedures shall not exceed thirty (30) days. (Continued)

10604

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: 45 CFR 255.2(h)(2).

NOTICE PUBLICATION/REGULATIONS SUBMISSION

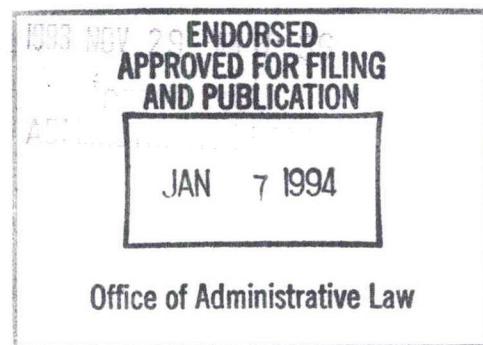
STD. 400 (REV. 2-91)

AGENCY

California Department of Social Services	AGENCY FILE NUMBER (If any)		
OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER
Z93-0722-01	93-1129-02C		0293-05
			PREVIOUS REGULATORY ACTION NUMBER 93-0722-02E

For use by Office of Administrative Law (OAL) only

(See instructions on reverse)

Original
For use by Secretary of State only

NOTICE

REGULATIONS

FILED

In the office of the Secretary of State
of the State of California

OCT 07 1994

At 3:59 O'clock P.M.
MARCH FOND EU, Secretary of StateBy *Eloise J. Anderson* Deputy Secretary of State

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC Child Care Usage and Documentation	TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE Notice re Proposed Regulatory Action	4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE Approved as Submitted	Approved as Modified	NOTICE REGISTER NUMBER 93-1122-2
		Disapproved/ Withdrawn	PUBLICATION DATE 8-6-93

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S) MPP	ADOPT Sections 40-018, 42-1101 and 42-1102
SECTIONS AFFECTED	AMEND Section 44-113.217
	REPEAL

2. TYPE OF FILING

Regular Rulemaking (Gov. Code, § 11346) Resubmittal Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100) Emergency (Gov. Code, § 11346.1(b))

Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.

Print Only Other (specify) _____

3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)

11/8/93 - 11/23/93

4. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)

Effective 30th day after filing with Secretary of State Effective on filing with Secretary of State Effective other (Specify) _____

5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

Department of Finance (Form STD. 399) Fair Political Practices Commission State Fire Marshal

Other (Specify) _____

6. CONTACT PERSON
Frank Vitulli, Assistant Chief, Regulations Development Bureau

TELEPHONE NUMBER

657-2586

7. *I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.*

SIGNATURE OF AGENCY HEAD OR DESIGNEE

TYPED NAME AND TITLE OF SIGNATORY

ELOISE ANDERSON, Director

DATE

11/29/93

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) (REVERSE)

**INSTRUCTIONS FOR PUBLICATION OF NOTICE
AND SUBMISSION OF REGULATIONS**

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

ALL FILINGS

Enter the agency name and agency file number, if any.

NOTICES

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

REGULATIONS

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

**RESUBMITTAL OF DISAPPROVED OR WITHDRAWN
REGULATIONS**

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

EMERGENCY REGULATIONS

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

NOTICE FOLLOWING EMERGENCY ACTION

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

CERTIFICATE OF COMPLIANCE

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

EMERGENCY REGULATIONS - READOPTION

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

If you have any questions regarding this form or the procedure for filing notices or submitting regulations to OAL for review, please contact the Office of Administrative Law at (916) 323-6225 or ATSS 473-6225.

Adopt Section 40-018 to read:

CHAPTER 40-000 IMPLEMENTATION SCHEDULE

40-018 IMPLEMENTATION OF ASSEMBLY BILL (AB) 2184 (CHAPTER 1205,
STATUTES OF 1991)

40-018

This regulatory action, which consists of adopting and amending the following sections, shall be effective August 2, 1993 in order to comply with AB 2184 (Chapter 1205, Statutes of 1991). AB 2184 added Section 11008.19 to the Welfare and Institutions Code, which requires the California Department of Social Services (CDDS) and the California Department of Education (CDE) to establish a system for documenting child care usage by Aid to Families with Dependent Children (AFDC) recipients in CDE's subsidized child care system. Adopt: Chapter 42-1100, Sections 42-1101 and 42-1102. Amend: Section 44-113.217.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553 and 10554, Welfare and Institutions Code.

Adopt Chapter 42-1100 and Sections 42-1101 and 42-1102 to read:

CHAPTER 42-1100 CHILD CARE USAGE AND DOCUMENTATION

42-1101 GENERAL STATEMENT

42-1101

HANDBOOK BEGINS HERE

.1 AB 2184 (Chapter 1205, Statutes of 1991) requires the Department and the California Department of Education (CDE) to establish a system for documenting child care usage by Aid to Families with Dependent Children (AFDC) recipients in CDE's subsidized child care system. The purpose of documenting the child care usage of this population is to maximize the Federal Financial Participation (FFP) to which the state is entitled under Title IV-A of the Social Security Act.

HANDBOOK ENDS HERE

42-1102 ~~ELIGIBILITY QUALIFICATION FOR TRACKING UNDER TITLE IV-A
CHILD CARE UNDER AB 2184~~

42-1102

.1 The county and CDE contractor shall verify whether AFDC recipients and their children who receive child care services from CDE subsidized child care programs ~~are eligible for meet~~ Title IV-A ~~child are~~ ~~eligibility criteria, in order to determine whether their child care qualifies for tracking under Title IV-A.~~

.11 ~~The child care of~~ An AFDC recipient and each of his/her children who receive child care services from a CDE subsidized child care program ~~are eligible qualifies for tracking under~~ Title IV-A ~~child are~~ if the recipient and child meet the following standards:

.111 The AFDC recipient is:

- (a) A working recipient who is not receiving the dependent care disregard, as specified in Section 44-113.217, for his/her child receiving services through the CDE subsidized child care system; or,
- (b) A participant in an education and training program approved according to the criteria specified in the Miller v. Healy Interim Court Order; or,
- (c) A participant in the GAIN program, as specified in Chapter 42-700.

HANDBOOK BEGINS HERE

(d) The Miller v. Healy ~~Interim~~ ~~Court~~ ~~Order~~ established criteria for approving non-GAIN education and training programs. The Court ordered that child care assistance is to be provided to recipients "who meet existing GAIN criteria for the approval of education and training activities. Such child care shall be provided pursuant to existing GAIN criteria for approval of self-initiated programs and existing GAIN definitions for satisfactory progress and attendance requirements".

HANDBOOK ENDS HERE

.112 The recipient's child(ren) shall meet the condition(s) of one category in each of Sections 42-1102.112(a) and (b) below:

(a) The child:

- (1) Is in the recipient's AFDC assistance unit; or
- (2) Receives benefits under federal foster care; or
- (3) Receives benefits under Supplemental Security Income/State Supplementary Payment (SSI/SSP) program.

(b) The child:

- (1) Is under the age of 13; or
- (2) Meets the age requirements under the AFDC program, as specified in Section 42-100 and is physically or mentally incapable of caring for himself/herself based on:
 - (A) A written statement of a physician or a licensed or certified psychologist; or
 - (B) Receipt of SSI/SSP; or
- (3) Is under court supervision as specified in Welfare and Institutions Code Sections 601 and 602 and meets the age requirement under the AFDC program, as specified in Section 42-100.

.2 The county and CDE contractor shall redetermine whether the child care of an AFDC recipient and his/her child ~~are eligible~~ qualifies for tracking under Title IV-A ~~child~~ ~~are~~ when the county and CDE contractor become aware of a possible change in the eligibility status of the recipient or child.

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Section 11008.19, Welfare and Institutions Code, 45 CFR 255.2(a) and 45 CFR 255.4; and Miller v. Healy, 768 S. Supp. 1331 (N.D. Cal 1991).

Amend Section 44-113.217 to read:

44-113 NET INCOME

44-113

.2 Earnings

.21 Computation of Net Nonexempt Earned Income for Aid to Families with Dependent Children (Continued)

.211 - .216 (Continued)

.217 For each employed recipient apply a disregard as determined below for the reasonable and necessary costs of obtaining child care for a child in the AU or care for an incapacitated individual in the AU when the county determines that adequate dependent care cannot be provided during his/her working hours by a person in the recipient's assistance unit.

(a) For each child or incapacitated individual the amount of the dependent care disregard is the least of:

(1) (Continued)

(2) (Continued)

(3) (Continued)

(b) When applying the dependent care disregard, the county shall verify the amount of the expenditure and that the care was actually provided. As part of the verification process, the recipient shall write on the CA 7 the amount of the expenditure and provide a signed receipt. If the county determines that a signed receipt is not available, other acceptable evidence may be used. Such evidence may include but is not limited to: statements received by the county welfare departments by phone from the care provider, cancelled checks, statements from neighbors or other persons with a reasonable knowledge that services were provided (i.e., they take their child to the same facility), or an affidavit from the recipient, separate from the CA 7, which includes an explanation as to why a receipt from the provider was not available.

(c) The county shall inform employed recipients at the time they become eligible for the dependent care disregard that they may receive either the dependent care disregard or child care services in the California Department of Education (CDE) subsidized child care system. The county shall provide the information needed by the recipient to contact a Resource and Referral (R and R) Program for assistance in obtaining information regarding services offered by the CDE subsidized child care system.

HANDBOOK BEGINS HERE

- (1) Resource and Referral Programs provide referrals to child care facilities as specified in Education Code Sections 8200 et/ seq. and are defined in Education Code Section 8208(y).
- (2) Education Code Section 8208(y) states in part:
 - (A) "Resource and referral programs" mean programs that provide information to parents, including referrals and coordination of community resources for parents and public or private providers of care."

HANDBOOK ENDS HERE

- (3) If CDE subsidized child care is not available or the recipient chooses not to receive CDE subsidized child care for each of his/her children, the county shall apply the dependent care disregard as specified in 44-113.217(a) above.
- (d) The dependent care disregard shall not be allowed for any if the child care services provided to an employed recipient's children who receive child care services through a CDE subsidized child care program and are determined to be eligible for in which the child care qualifies for tracking under Title IV-A child care pursuant to Section 42-1102.

HANDBOOK BEGINS HERE

- (1) Section 42-1102 requires the county and CDE contractor to determine whether AFDC recipients and their children who receive child care services from CDE subsidized child care programs are eligible for meet Title IV-A child care eligibility criteria, in order to determine whether their child care qualifies for tracking under Title IV-A.

HANDBOOK ENDS HERE

- (e) If a recipient and child are not eligible for title IV-A child care pursuant to Section 42-1102 and are receiving services in the CDE subsidized child care system and their child care does not qualify for tracking under Title IV-A pursuant to Section 42-1102, the county shall apply the dependent care disregard as specified in Section 44-113.217(a) above for any parent fee assessed pursuant to Title V, Division 19, Section 18108.

HANDBOOK BEGINS HERE

(1) Title V, Division 19, Section 18108 specifies that CDE contractors shall assess parent fees according to a fee schedule prepared and issued by the CDE Child Development Division. A parent fee is a family's share of cost computed on a sliding scale based on the family's income adjusted for family size.

HANDBOOK ENDS HERE

.218 (Continued)

Authority Cited: Sections 10553 and 10554, Welfare and Institutions Code.

Reference: Sections 10553, 10554 and 11008.19, Welfare and Institutions Code; 45 CFR 233.10; 45 CFR 233.20(a)(3)(ii)(C) and (vi)(A); 45 CFR 233.20(a)(11); 45 CFR 255.3; and Darces v. Woods, 35 Cal. 3d 871.

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91)

AGENCY

California Department of Social Services

(See instructions on reverse)

ORIGINAL
For use by Secretary of State only

REGULATIONS

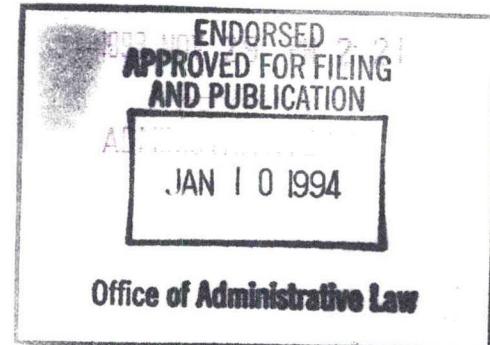
AGENCY FILE NUMBER (If any)
RDB-0792-24

OAL FILE NUMBERS	NOTICE FILE NUMBER	REGULATORY ACTION NUMBER	EMERGENCY NUMBER	PREVIOUS REGULATORY ACTION NUMBER
	Z292-1124-02	93-1129-035		

For use by Office of Administrative Law (OAL) only

NOTICE

REGULATIONS

FILED
In the office of the Secretary of State
of the State of CaliforniaJAN 10 1994
At 4:02 O'clock P.M.
DANIEL FONG EU, Secretary of State

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. TOPIC OF NOTICE Food Stamp Forms Regulations		TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed <input type="checkbox"/> Regulatory Action		4. AGENCY CONTACT PERSON		TELEPHONE NUMBER
OAL USE ONLY	ACTION ON PROPOSED NOTICE <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified	<input type="checkbox"/> Disapproved/ Withdrawn	NOTICE REGISTER NUMBER 93-1129-035	PUBLICATION DATE 12-4-93

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics-related)

TITLE(S) MPP	ADOPT SEE ATTACHMENT
	AMEND SEE ATTACHMENT
SECTIONS AFFECTED	REPEAL

2. TYPE OF FILING

<input type="checkbox"/> Regular Rulemaking (Gov. Code, § 11346)	<input type="checkbox"/> Resubmittal	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, § 100)	<input type="checkbox"/> Emergency (Gov. Code, § 11346.1(b))
<input type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Government Code §§ 11346.4 - 11346.8 prior to, or within 120 days of, the effective date of the regulations listed above.			
<input type="checkbox"/> Print Only		<input type="checkbox"/> Other (specify) _____	

3. DATE(S) OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §§ 44 and 45)
September 14, 1993 through September 29, 19934. EFFECTIVE DATE OF REGULATORY CHANGES (Gov. Code § 11346.2)
 Effective 30th day after filing with Secretary of State Effective on filing with Secretary of State Effective other (Specify) February 1, 1994

5. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY

 Department of Finance (Form STD. 399) Fair Political Practices Commission State Fire Marshal Other (Specify) _____6. CONTACT PERSON
Frank Vitulli, Assistant Bureau Chief, Regulations Development Bureau TELEPHONE NUMBER 657-2586

7. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE

TYPED NAME AND TITLE OF SIGNATORY

Eloise Anderson, Director

DATE NOV 23 1993

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 2-91) (REVERSE)

INSTRUCTIONS FOR PUBLICATION OF NOTICE
AND SUBMISSION OF REGULATIONS

The revised form STD. 400 replaces form STD. 398 (REV. 3/85) (Face Sheet for Filing Notice of Proposed Regulatory Action in the California Administrative Notice Register) and form STD. 400 (REV. 8/85) (Face Sheet for Filing Administrative Regulations with the Office of Administrative Law). Use the new form STD. 400 for submitting notices for publication and regulations for Office of Administrative Law (OAL) review.

ALL FILINGS

Enter the agency name and agency file number, if any.

NOTICES

Complete Part A when submitting a notice to OAL for publication in the California Regulatory Notice Register. Submit two (2) copies of the STD. 400 with four (4) copies of the notice and, if a notice of proposed regulatory action, one copy each of the complete text of the regulations, the statement of reasons and a list of small businesses to whom the notice will be mailed, if any. If the notice is approved, OAL will return the STD. 400 with a copy of the notice and will check "Approved as Submitted" or "Approved as Modified" and place a number in the box marked "Notice File Number." If the notice is disapproved or withdrawn, that will also be indicated in the space marked "Action on Proposed Notice." Please submit a new form STD. 400 when resubmitting the notice.

REGULATIONS

When submitting regulations to OAL for review, fill out STD. 400, Part B. Use the form that was previously submitted with the notice of proposed regulatory action which contains the "Notice File Number" assigned, or, if a new STD. 400 is used, please include the previously assigned number in the box marked "Notice File Number." In filling out Part B, be sure to complete the certification including the date signed, the title and typed name of the signatory. The following must be submitted when filing regulations: seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification) and the complete rulemaking file with index and sworn statement. (See Government Code § 11347.3 for rulemaking file contents.)

RESUBMITTAL OF DISAPPROVED OR WITHDRAWN REGULATIONS

When resubmitting previously disapproved or withdrawn regulations to OAL for review, use a new STD. 400 and fill out Part B, including the signed certification. Enter the number of the previously disapproved or withdrawn filing in the box marked

"Previous Regulatory Action Number" at the top of the form and submit seven (7) copies of the regulation to OAL with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). Be sure to include an index, sworn statement, and (if returned to the agency) the complete rulemaking file. (See Government Code §§ 11349.4 and 11347.3 for more specific requirements.)

EMERGENCY REGULATIONS

Fill out only Part B, including the signed certification, and submit seven (7) copies of the regulations with a copy of the STD. 400 attached to the front of each (one copy must bear an original signature on the certification). (See Government Code § 11346.1 for other requirements.)

NOTICE FOLLOWING EMERGENCY ACTION

When submitting a notice of proposed regulatory action after an emergency filing, use a new STD. 400 and complete Part A only. Please insert the OAL number for the original emergency filing in the box marked "Emergency Number" at the top of the form. OAL will return the STD. 400 with the notice upon approval or disapproval. If the notice is disapproved, please fill out a new form when resubmitting for publication.

CERTIFICATE OF COMPLIANCE

When filing the certificate of compliance for emergency regulations, fill out Part B on the form that was previously submitted with the notice, or, if a new STD. 400 is used, please include the previously assigned numbers in the boxes marked "Notice File Number" and "Emergency Number." The materials indicated in these instructions for "REGULATIONS" must also be submitted.

EMERGENCY REGULATIONS - READOPTION

When submitting previously approved emergency regulations for readoption, use a new STD. 400 and fill out Part B, including the signed certification, and enter the OAL number of the original emergency filing in the box marked "Emergency Number" at the top of the form.

(Attachment)

B. SUBMISSION OF REGULATIONS

1. Specify California Code of Regulations Title(s) and Section(s)

Adopt:

Section 63-005 and 63-103

Amend:

Sections 63-102, 63-104, 63-105, 63-106, 63-107 and 63-108; Sections 63-202 and 63-206; Sections 63-300 and 63-301; Sections 63-404, 63-407 and 63-408; Sections 63-501, 63-503, 63-504, and 63-505; Sections 63-601, 63-602 and 63-603; Sections 63-701, 63-702, 63-703, 63-704, 63-705 and 63-706; Sections 63-801, 63-802, 63-804 and 63-805; and Section 63-900.

Adopt New Section 63-005 To Read:

63-005 IMPLEMENTATION OF FORMS DEFINITIONS

63-005

- .1 CWDs shall implement these regulations effective the first of the month, 30 days after filing with the Secretary of State.
- .2 Sections affected by these revisions are: 63-102a.(5), b.(3), d.(6), e.(4), f.(4), i.(1), n.(4), p.(2) through (10), r.(5) and (7) and w.(1); 63-103.1 and .2; 63-104 and 104.21(i)(2); 63-105; 63-106; 63-107; 63-108, .41, .5 and .8; 63-202.5; 63-206.36 and .5; 63-300.1, .2, .21 through .24, .31, .321, .37, .412, .5, .512(a), (b), (b)(1), (2), (3), and (4), (c)(1)(A) and (d), and .532(a); 63-301.3, .31, .32, .33, .411(b), .42, .421, .422, .422(b), .424, .431, .431(a), .432, .441(b) and (c), .442, .442(a) and (b), .521, .522, .523, .63, .631(b)(1) and (2), .633(a), (b) and (c), .81, .811 and .812; 63-404.1, .11, .12, .13, .61 and .62; 63-407.56, .562, .586 and .843(f); 63-408.22 and .252(a) through (d); 63-501.63, .631, .632, .641, .642 and .65; 63-503.231, .232(a), (d)(2) and (d)(2)(A), .251, .251(b)(1)(B), .411(a), .412(b), .444(b), .472(a), .473(d), .475(a), .478, .481(c) and .485, .485(a), (a)(1) and (2), (b), (b)(1) and (2), (c), (c)(1) and (2) and (d); 63-504.142, .143, .211, .211(a) through (c), .213, .22, .221 through .225, .23, .231 through .234, .24, .241, .25, .251 through .254, .26, .261 through .265, .266(g) through (j), .267(a), (e)(1) through (4), (f), .27, .271 through .274, .3, .32, .33(a) through (c), .34, .342, .351(a), .352 through .353(c), .354(a), .355, .355(a) and (b), .356, .357(a) and (b), .361(a) through .363, .373 through .375, .391(b), .392(b), .41, .411, .412, .421(a), (b) and (c), .422, .422(a) and (c), .423, .432, .433, .434, .435 and .435(a), .44, .441, .442, .612, .613, .614, .614(a) through (c), .616, .616(a) and (b), .617 through .619, .62, .621, .621(a), .623 and .624; 63-505.114; 63-601.262(b)(4); 63-602.212; 63-603.15, .3, .411, .512(b), .631(a), .712, .811 and .821; 63-701.12, .131 through .136, .31, .311(a), .331 through .334, .41, .621(b) and (d), and .622; 63-702.111(a), .112(a), .121, .122, .21, .211, .212, .213, .221, .222, .41, .42, .5, .51, .52, .53 and .61 through .64; 63-703.212 and .22; 63-704.112 and .12 through .19; 63-705.12(a) through (f); 63-706.131, .132, .3, .421 and .422; 63-801.111, .112, .132, .431, .441, .441(c), .442, .722, .733, .734, .82, .821, .822, .841, .842, .851, .86 and .92; 63-802.15, .151 and .152; 63-804.62, .621, .622, .623, .641 and .642, .642(c), (e) and (f); 63-805.21 and .22; and 63-900.81 and .82.

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Sections 10554 and 18904, Welfare and Institutions Code.

Amend And Renumber Section 63-102 To Read:

63-102 DEFINITIONS--PROGRAM TERMS

63-102

a. (Continued)

(5) "Application form" means:

(A) The application forms designed or approved by FNS/ which is are completed by a household member or authorized representative when applying for Food Stamps/; or

(B) For households in which all members apply for or receive Public Assistance/ it shall mean The forms used to apply for AFDC by households in which all members apply for or receive Public Assistance, including any necessary Food Stamp Program attachments approved by FNS. (Continued)

b. (Continued)

(3) A "bulk storage point" means a location which receives and stores coupons from FNS for two or more CWDs and transfers them to issuance agents. It must report coupon inventories on Form the FNS-250. Coupons are not issued to recipients from bulk storage points. (Continued)

c. (Continued)

d. (Continued)

(6) "Disqualification Consent Agreement" means the DFA 478. an agreement signed by accused individual(s) in cases of disqualification wherein the individual consents to an appropriate disqualification period, with benefit reduction and acknowledges liability for payment of any resulting claim. (Continued)

e. (Continued)

(4) "Extended Filing Date" in a monthly reporting system is by close of business on the first working day of the issuance month and is the final date by which the household must submit a complete Monthly Eligibility Report (CA 7), including all required verification without penalty of termination of eligibility or disallowance of deductions.

f. (Continued)

44 Y Form Identification

YFA and CA forms means the state's most currently printed division of financial administration and children's assistance forms/ (Continued)

i. (1) "Identification (ID) Card" means a card which identifies the bearer as eligible to receive and use food stamps the DFA 287. (Continued)

n. (Continued)

(4) "Notice of Action" means a form provided to a household informing them of an action which has been or will be taken concerning the household's eligibility status or level of benefits. (Continued)

p. (Continued)

(2) "Photo ID Card" means an identification card used in a Photo Identification Card System to identify the bearer as eligible to receive and use Food Stamps.

(23) (Continued)

(24) (Continued)

(25) (Continued)

(26) (Continued)

(27) (Continued)

(28) (Continued)

(29) (Continued)

(210) (Continued)

q. Reserved

r. (Continued)

(5) "Report Month" in a monthly reporting and retrospective budgeting system means the month in a monthly reporting and retrospective budgeting system during which the monthly eligibility report (CA 7) from the budget month is due and the month during which the household's allotment for the issuance month is calculated. The report month is between the budget month and the issuance month. (Continued)

(7) A "reporting point" means a CWD which prepares and submits an FNS-250 to FNS a form FNS 250. (Continued)

w. (1) "Waiver of Right to an Administrative Disqualification Hearing" means an agreement wherein an accused individual waives the right to an ADR which will result in an appropriate disqualification period with benefit reduction and acknowledges liability for payment of any resulting claim the DFA 479. (Continued)

x. Reserved

y. Reserved

z. Reserved

Authority Cited: Sections 10553, 10554, and 18904, Welfare and Institutions Code.

Reference: 8 U.S.C.A. Section 1522(e); 42 U.S.C.A. 601, et seq.; and
42 U.S.C.A. 5122; 7 CFR 271.2; 7 CFR 273.1(c)(5); 7 CFR
273.11(a)(2)(iii); 7 CFR 273.2; 7 CFR 273.16(c); 7 CFR
273.21(b); 7 CFR 274.3; 7 CFR 2710.2; 45 CFR Part 401; 45 CFR
400.62; (Court Order re Final Partial Settlement Agreement in
Jones v. Yeutter (C.D. Cal. Feb. 1, 1990) ____ F. Supp. ____
[Dock No. CV-89-0768].)/; and Section 66011, Education Code/; and Sections 10554 and 18904, Welfare and Institutions Code.

Adopt New Section 63-103 To Read:

63-103. DEFINITIONS--FORMS

63-103

HANDBOOK BEGINS HERE

.1 This section lists and defines those forms which are used in the Food Stamp Program and referenced in regulations. Forms which are recommended for use, but are not required, are included as Handbook.

.11 Forms are listed alphabetically by the alpha form designation and number.

.12 The revision date of the form currently in use is specified for each form.

.13 The alpha form designations mean the following:

- a. "CA" means Children's Assistance.
- b. "DFA" means Division of Financial Administration.
- c. "FNS" means Food and Nutrition Service.
- d. "FS" means Food Stamps.
- e. "I" or "INS" means Immigration and Naturalization Services.
- f. "JA" means joint application.
- g. "MC" means Medi-Cal.
- h. "NA" means Notice of Action.
- i. "SAWS" means Statewide Automated Welfare System.
- j. "SSA" means Social Security Administration.

.14 For further information regarding Food Stamp forms and form instructions, see Handbook Section 63-1200.

HANDBOOK ENDS HERE

.2 Forms Listing

- a. Reserved
- b. Reserved

c. (1) CA 7 (rev. 1/93) - Monthly Eligibility Report

The CA 7 is used to report information on a monthly basis by monthly reporting households, to determine the household's continuing eligibility and level of benefits.

(2) CA 8 (rev. 2/84) - Statement of Facts for Additional Persons

The CA 8 is used to collect information necessary to determine the household's eligibility when adding a person.

d. (1) DFA 256 (rev. 11/90) - Participation and Coupon Issuance Report - Food Stamp Program

The DFA 256 is used to collect CWD participation and coupon issuance data.

(2) DFA 285-A1 (rev. 7/90) - Application for Food Stamps - Part (1)

The DFA 285-A1 is completed by applicants and is used to identify households entitled to expedited service.

(3) DFA 285-A2 (rev. 4/93) - Application for Food Stamps - Part (2)

The DFA 285-A2 is completed by applicants and is used to collect the information necessary to determine an applicant's eligibility and benefit level.

(4) DFA 285-A3 (rev. 4/93) Important Facts for Food Stamp Applicants

The DFA 285-A3 is used to inform food stamp applicants of their rights and responsibilities and to certify that applicants understand those rights and responsibilities and the penalties for noncompliance.

(5) DFA 286 (rev. 4/79) - Household Issuance Record

The DFA 286 is used by CWDs which operate a manual household issuance record card system to record benefit authorizations and transactions.

(6) DFA 287 (rev. 4/80) - Food Stamp Program Identification (ID) Card

The Identification "ID Card" is used to identify the bearer as eligible to receive and use food coupons.

(7) DFA 289 (rev. 4/79) - Food Stamp Program Receptionist's Daily Tally Sheet

The DFA 289 is used to record the daily issuance transactions for each cashier.

(8) DFA 293 (rev. 4/79) - Cashier's Daily Report

The DFA 293 is used to report the daily transaction activity for each cashier.

(9) DFA 296 (rev. 10/88) - Food Stamp Program Monthly Caseload Movement Statistical Report

The DFA 296 is used to report data on monthly CWD application processing activities.

(10) DFA 296 X (rev. 12/88) - Food Stamp Program Expedited Service Quarterly Statistical Report

The DFA 296 X is used to report quarterly data on the CWD's disposition of expedited service requests.

(11) DFA 300 (rev. 1/80) - Food Stamps Mail Issuance Log

The DFA 300 is used to record mail issuance requests/transactions.

(12) DFA 303 (rev. 10/90) - Replacement Affidavit/Authorization

The DFA 303 is used to document household replacement requests.

(13) DFA 358 (rev. 10/88) - Food Stamp Program Participants by Ethnic Group

The DFA 358 is used to report data on Food Stamp recipients by ethnic group.

HANDBOOK BEGINS HERE

(14) DFA 377.1 (rev. 1/88) - Notice of Approval

The DFA 377.1 is the recommended CDSS developed form used to inform a household that its application for participation in the Food Stamp Program has been approved.

(15) DFA 377.1A (rev. 1/88) - Notice of Denial or Pending Status

The DFA 377.1A is the recommended CDSS developed form used to inform a household that their application for participation in the Food Stamp Program has been denied or is pending further action.

(16) DFA 377.2 (rev. 12/83) - Food Stamp Notice of Expiration of Certification

The DFA 377.2 is the recommended CDSS developed form used to inform a household that their certification period will expire soon or be shortened.

(17) DFA 377.4 (rev. 12/83) - Food Stamp Notice of Change

The DFA 377.4 is the recommended CDSS developed form used to notify a household of any change in eligibility status or benefit level during the certification period.

HANDBOOK ENDS HERE

(18) DFA 377.5 (rev. 8/90) - Food Stamp Household Change Report

The DFA 377.5 is used to report information on changes in household circumstances by households not subject to monthly reporting requirements.

HANDBOOK BEGINS HERE

(19) DFA 377.7A (rev. 8/88) - Notice of Administrative Disqualification

The DFA 377.7A is the recommended CDSS developed form used to notify a household of their disqualification based on an Administrative Disqualification Hearing decision.

(20) DFA 377.7B (rev. 9/93) - Food Stamp Repayment Notice For Inadvertent Household Errors Only

The DFA 377.7B is the recommended CDSS developed form used to initiate collection action against a household or the sponsor of an alien household for an Inadvertent Household Error.

(21) DFA 377.7D (rev. 9/93) - Food Stamp Repayment Notice for Administrative Errors Only

The DFA 377.7D is the recommended CDSS developed form used to initiate collection action against a household or the sponsor of an alien household for an Administrative Error.

(22) DFA 377.7F (rev. 10/93) - Food Stamp Repayment Notice for an Intentional Program Violation (IPV) Only

The DFA 377.7F is the recommended CDSS developed form used to initiate collection action against a household or the sponsor of an alien household for an Intentional Program Violation.

HANDBOOK ENDS HERE

(23) DFA 377.7C (rev. 9/93) - Food Stamp Repayment Agreement for Inadvertent Household Errors Only

The DFA 377.7C is used to specify the terms under which a household has agreed to repay an outstanding claim determination on an Inadvertent Household Error.

(24) DFA 377.7E (rev. 4/93) - Food Stamp Repayment Agreement for Administrative Errors Only

The 377.7E is used to specify the terms under which a household has agreed to repay an outstanding claim determination for an Administrative Error.

(25) DFA 377.7G (rev. 10/93) - Food Stamp Repayment Agreement for an Intentional Program Violation (IPV) Only

The DFA 377.7G is used to specify the terms under which a household has agreed to repay an outstanding claim determination for an Intentional Program Violation.

HANDBOOK BEGINS HERE

(26) DFA 377.9 (rev. 7/90) - Notice of Back Food Stamp Benefits

The DFA 377.9 is the recommended CDSS developed form used to notify a household of their entitlement to a restoration of lost benefits.

(27) DFA 377.10 (rev. 7/89) - Food Stamp Notice of Disqualification

The DFA 377.10 is the recommended CDSS developed form used to notify a household of its disqualification from the Food Stamp Program for noncompliance with work registration requirements.

HANDBOOK ENDS HERE

(28) DFA 385 (rev. 11/87) - Application for Emergency Food Stamp Assistance

The DFA 385 is used as the application in disasters.

(29) DFA 478 (rev. 6/90) - Disqualification Consent Agreement

The DFA 478 is used in cases of deferred adjudication. Accused individual(s) consent to an appropriate disqualification period with benefit reduction and acknowledge liability for payment of any resulting claim.

(30) DFA 479 (rev. 5/89) - Administrative Disqualification Hearing Waiver

The DFA 479 is an agreement wherein an accused individual(s) waives the right to an Administrative Disqualification Hearing (resulting in an appropriate disqualification period with benefit reduction) and acknowledges liability for payment of any resulting claim.

(31) DFA 842 (rev. 2/87) - Claim Determination Worksheet

The DFA 842 is used to document claim determination computations.

e. Reserved

f. (1) FNS-33 (rev. 4/78) - File Update - Food Coupon Shipping Point

The FNS-33 is used to report changes in bulk storage reporting and coupon shipment receiving points.

(2) FNS-46 (rev. 8/89) - Issuance Reconciliation Report
The FNS-46 is used to report the results of monthly reconciliation activities.

(3) FNS-135 (rev. 7/89) - Affidavit of Return or Exchange of Food Coupons
The FNS-135 is used to document the return or exchange of food coupons.

(4) FNS-209 (rev. 6/86) - Status of Claims Against Households
The FNS-209 is used to report information on CWD claim determination and collection activities.

(5) FNS-250 (rev. 10/78) - Food Coupon Accountability Report
The FNS-250 is used to report data on coupon inventories.

(6) FNS-254 (rev. 1/82) - Food Stamp Program Authorization/Retailer
The FNS-254 is used to authorize a group living arrangement as a retail food store.

(7) FNS-259 (rev. 5/83) - Food Stamp Mail Issuance Report
The FNS-259 is used to report data on mail issuance activities.

(8) FNS-260 (rev. 1/82) - Requisition for Food Coupon Books
The FNS-260 is used to order coupons.

(9) FNS-261 (rev. 11/78) - Advice of Shipment
The FNS-261 is used by FNS to notify CWDs of the shipment of coupons.

(10) FNS-292 (rev. 8/77) - Report of Coupon Issuance and Commodity Distribution for Disaster Relief
The FNS-292 is used to report the total number of persons certified for emergency coupon allotments and the total number of such allotments.

(11) FNS-300 (rev. 2/90) - Advice of Transfer
The FNS-300 is used to report coupon transfers.

(12) FNS-471 (rev. 4/86) - Coupon Account and Destruction Report
The FNS-471 is used to report the destruction of food coupons.

(13) FS 8 (rev. 4/90) - Important Information About Required Verifications in the Food Stamp Program
The FS 8 is used to provide applicant/recipient households with information on verification requirements in the Food Stamp Program.

g. Reserved

h. Reserved

i. (1) INS I-688 (any rev. date acceptable) - Temporary Resident Card

The INS I-688 is used for the verification of alien status.

(2) INS G-639 (rev. 1/88) - Freedom of Information/Privacy Act Request

The G-639 is used for the verification of alien status.

(3) INS I-94 (any rev. date acceptable) - Arrival-Departure Record

The INS I-94 is used to reflect short-term employment authorization in special circumstances.

(4) INS I-179 (rev. 1/73) - U.S. Citizen Identification Card

The INS I-179 is an identification card used to identify resident citizens in the United States.

(5) INS I-551 (any rev. date acceptable) - Resident Alien Card

The INS I-551 is used to verify alien status.

j. (1) BC JA 2 CA 2/DFA 285-A2 (rev. 11/92) - Statement of Facts Cash Aid and Food Stamps

The BC JA 2 CA 2/DFA 285-A2 is completed by applicants and is used to collect the information necessary to determine an applicant's eligibility and benefit level. This form is comparable to DFA 285-A2.

k. Reserved

l. Reserved

m. (1) MC 177-SA-M (rev. 7/89) - Record of Health Cost - Share of Cost

The MC 177-SA-M is used to verify a Medi-Cal recipient's health care costs.

HANDBOOK BEGINS HERE

(2) MC 194 (rev. 9/82) - Social Security Administration Referral Notice

The MC 194 is a recommended form used to verify that an application for a Social Security Number has been completed.

n. (1) NA 960X (rev. 6/93) - Notice of Action/CA 7 not Received

The NA 960X is the recommended CDSS developed form used to notify monthly reporting households that a CA 7 has not been received and that benefits may be affected as a result.

(2) NA 960Y (rev. 8/93) - Notice of Action/CA 7 Incomplete -Discontinuance
Reminder

The NA 960Y is the recommended CDSS developed form used to notify monthly reporting households that a CA 7 is incomplete and that benefits may be affected as a result.

HANDBOOK ENDS HERE

o. Reserved

p. Reserved

q. Reserved

r. Reserved

s. (1) SAWS 1 CA1/DFA 285-A1 (rev. 9/90) - Application for Cash Aid, Food Stamps, and/or Medical Assistance

The SAWS 1 CA1/DFA 285-A1 is completed by applicants and is used to identify households entitled to expedited service. This form is comparable to the DFA 285-A1.

(2) SAWS 2A CA 2/DFA 285-A2/MC210 (rev. 5/92) - Important Information for Applicants and Recipients for Cash Aid, Food Stamps, and Medical Assistance

The SAWS 2A CA 2/DFA 285-A2/MC210 is used to inform applicants for cash aid, food stamps, and medical assistance of important information, including their rights and responsibilities.

(3) SSA-2853-OP3 (rev. 6/89) - Information About When You Will Receive Your Baby's Social Security Card

The SSA-2853-OP3 is used to verify that an application for a Social Security Number has been filed by a hospital official for a newborn.

(4) SSA-5028 (any rev. date acceptable) - Receipt of Application for a Social Security Number

The SSA-5028 is used to verify that an application for a Social Security Number has been completed.

t. Reserved

u. Reserved

v. Reserved

w. Reserved

x. Reserved

y. Reserved

z. Reserved

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Sections 10554 and 18904, Welfare and Institutions Code and 7 CFR 273.2(b)(ii).

Renumber Section 63-103 To 63-104 And Amend To Read:

63-1074 ADMINISTRATIVE AUTHORITIES

63-1074

.1 (Continued)

.2 ~~State Agency~~ Delegations to Counties ~~Agencies~~

.21 (Continued)

i. Maintenance of procedures and controls to:

(1) Implement Food Stamp Program changes as required by SDSS.

(2) Accumulate statistical data for the ~~following reports~~ (by DFA 296, Food Stamp Program Monthly Statistical Report/ (by DFA 256 Monthly Report on Participation and Commodity issuance and (by DFA 296X), Food Stamp Program Expedited Service Quarterly Statistical Report/ (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2 and Sections 10554 and 18904, Welfare and Institutions Code.

Renumber Section 63-104 To 63-105 To Read:

63-1045 COUPONS AS OBLIGATIONS OF THE UNITED STATES, CRIMES AND OFFENSES 63-1045
(Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2 and Sections 10554 and 18904, Welfare and Institutions Code.

Renumber Section 63-105 To 63-106 To Read:

63-1056 COMPLAINT PROCEDURES (Continued)

63-1056

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2 and Sections 10554 and 18904, Welfare and Institutions Code.

Renumber Section 63-106 To 63-107 To Read:

63-1067 DEMONSTRATION, RESEARCH, AND EVALUATION PROJECTS (Continued)

63-1067

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Sections 10554 and 18904, Welfare and Institutions Code.

Renumber Section 63-107 To 63-108 And Amend To Read:

63-1078 BENEFIT REDUCTION, SUSPENSION, OR CANCELLATION PROCEDURES
(Continued)

63-1078

4. Affected Allotments

.41 Reduced benefits shall be calculated for all households; however, any households with one or two members whose reduced benefit would be less than \$10 shall receive a minimum benefit of \$10, except as provided specified in Section 63-1078.22. (Continued)

.5 Notification of Eligible Households

CWDs shall provide notify households with notice of the reduction, suspension or cancellation of Program benefits pursuant to instructions issued by SPSS, except that CWDs shall not provide notices of adverse action to households affected by reductions, suspensions, or cancellation of allotments.

.51 At such time as it is deemed necessary, SPSS CDSS shall inform CWDs of the method(s) for disseminating the notices of the reduction, suspension or cancellation of program benefits; and shall provide CWDs with both the language and format to be used in such notices. (Continued)

.8 Effects of Reductions, Suspensions/ or Cancellations on the Certification of Eligible Households

.81 CWDs shall accept and process applications (new and recertifications) during a month(s) in which a reduction, suspension/ or cancellation is in effect. Except as otherwise provided in Section 63-1078, applications shall be processed in accordance with Chapters 63-300, 63-400, and 63-500. (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2 and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-202.5 To Read:

63-202 PROGRAM ADMINISTRATION AND PERSONNEL REQUIREMENTS (Continued)

63-202

.5 Forms

The CWD shall use the forms prescribed in the Food Stamp Manual, or comparable SAWS forms as directed by CDSS, to collect, document, and/or report Food Stamp Program information. Any modification or substitution of forms prescribed in the Food Stamp Manual shall be approved by \$DSS CDSS prior to use. Procedures for approval are contained in Handbook Section 63-1250.

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2 and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-206 To Read:

63-206 LIABILITIES (Continued)

63-206

.3 Coupon and Cash Liabilities (Continued)

.36 Coupon overissuances resulting from noncompliance with ~~SPSS~~ CDSS instructions implementing benefit reductions, suspensions or cancellations as required under Section 63-1078. (Continued)

.5 Reporting of Coupon and Mail Issuance Liabilities

The CWD's shortages and losses shall be determined from the Food Stamp Accountability Report Form (FNS-250/ 10/78) and its supporting documents and the Issuance System Reconciliation Report Form (FNS-46 8/89). The CWD's mail loss liability shall be computed using data from the Food Stamp Mail Issuance Report Form (FNS-259 3/83). These reports shall be reviewed and adjusted as follows: (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2/; 7 CFR 276.1/; and 7 CFR 276.2/; and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-300 To Read:

63-300 APPLICATION PROCESS

63-300

.1 General Purpose

The application process includes filing and completing an application ~~form~~, being interviewed, and having certain information verified. The CWD shall act promptly on all applications and provide food stamp benefits retroactive to the month of application to those households that have completed the application process and have been determined eligible. Expedited service shall be available to households that qualify under the provisions of Section 63-301.5. Specific responsibilities of the household and CWD are detailed below.

.2 Application Form and Form Deviation

All applications for Food Stamp Program eligibility shall be made on ~~uniform state application forms~~, the DFA 285-A1, and DFA 285-A2, and DFA 285-A3. For households which apply for both AFDC and Food Stamps at the same time, the ~~joint application forms~~ (SAWS 1/ 14/90 CA 1/DFA 285-A1, and BC (JA2) 14/90 CA 2/DFA 285-A2, and SAWS 2A CA 2/DFA 285-A2/MC 210 shall be used. These forms also may be used for Food Stamp only cases. These joint application forms also may be used for food stamp and/or General Assistance (GA) cases.

.21 Screening

Applicants shall not be required to complete any CWD developed prescreening form.

.22 IEVS Interface

All applicants for, and recipients of food stamp benefits shall be notified in writing at the time of application, and at each recertification, that information available through IEVS will be requested, used, and may be verified through collateral contact when discrepancies are found by the CWD, and that such information may affect the household's eligibility and level of benefits.

.23 Recertification of Monthly Reporting Households

Households ~~which are~~ subject to ~~the~~ ~~Food~~ ~~Stamp~~ monthly reporting requirements ~~as specified in Section 63-300.2~~ shall have their ~~Food~~ ~~Stamp~~ eligibility redetermined by using the forms specified in Section 63-300.2 and the ~~Monthly Eligibility Report~~ (CA7) 17/87 for the budget month that corresponds to the first month of the new certification period.

.24 Recertification of Nonmonthly Reporting Households

~~Nonmonthly reporting households which are not subject to the food stamp monthly reporting requirements~~ shall have their ~~Food~~ ~~Stamp~~ eligibility redetermined by using the forms specified in Section 63-300.2.

.3 Filing, Notice of Right to File and Withdrawal (Continued)

.31 Each household shall be advised of their right to file an application on the same day ~~if they contact~~ the ~~Food~~ ~~Stamp~~ office during office hours ~~between 8:00/10:00 AM~~.

.32 The household shall also be advised that it does not have to be interviewed before filing the application and may file an incomplete application form as long as the form contains the applicant's name and address, and is signed by a responsible member of the household or the household's authorized representative.

.321 ~~The DPA 288-A2/ Applications which~~ contains the penalty of perjury statement/ ~~and~~ must be signed by one adult household member or authorized representative or a responsible minor when the applicant household is composed entirely of minors and has no adult to act on its behalf. (Continued)

.37 Written Statement of Verification Requirements

At the time of application and at recertification the CWD shall provide the household with ~~a written statement of verification requirements/ the FS 8 14/00/~~ which must be met. The notice shall inform the household that the CWD will assist them in obtaining required verification, provided that the household is cooperating with the CWD as specified in Section 63-505.1.

.4 Interviews (Continued)

.41 (Continued)

.412 A copy of the ~~monthly report CA 7~~ and an explanation of how the report shall be completed and submitted; (Continued)

.5 Verification (Continued)

For verification requirements for the ~~monthly report CA 7~~, refer to Sections 63-504.325, .326/ and .341. (Continued)

.51 (Continued)

.512 Alien Status (Continued)

(a) Aliens in the categories specified in Sections 63-403.1 (b), (c) and (h) shall present an ~~Immigration and Naturalization (INS) I-131 of I-551 Alien Registration Receipt Card/~~ or the "Re-entry Permit," a passport booklet for lawful permanent resident aliens.

(b) Aliens in the categories specified in Sections 63-403.1(d) through 63-403.1(g) shall present an INS ~~form~~ I-94 // ~~Arrival/Departure Record~~. The CWD shall accept the INS ~~form~~ I-94 as verification of eligible alien status only if the form is annotated with Sections 207, 208, 212(d)(5), or 243(h)(1) of the Immigration and Nationality Act; or if the form is annotated with one of the following terms or a combination of the following terms: Refugee, parolee, paroled, conditional entry or entrant, or asylum. An INS form I-94 annotated with the letters (A) through (L) shall be considered verification of ineligible alien status unless the alien can provide other documentation from INS which indicates that the alien is eligible. If the INS ~~form~~ I-94 does not bear any of the above annotations and the alien has no other verification of alien classification in his or her possession, the CWD shall advise the alien of the following:

- (1) that classification under Sections 207, 208, 212(d)(5), or 243(h) of the Immigration and Nationality Act shall result in eligible status.
- (2) that the alien may be eligible if acceptable verification is obtained.
- (3) that the alien may sign an Alien Status Verification form (ASV) authorizing the CWD to contact INS to obtain clarification of the alien's status or that the alien may contact INS or otherwise obtain the necessary verification.
- (4) that The INS G-841639/ Application for Verification of Information from Immigration and Naturalization Service Records/ is acceptable verification of eligible alien status if properly annotated by an INS representative as evidence of lawful admission for permanent residence or parole for humanitarian purposes.

(c) (Continued)

(1) (Continued)

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(A) Examples of acceptable documentation include, but are not limited to/ the I-688 Temporary Resident Cards annotated with Section 320(a) or Section 245A of the Immigration and Nationality Act.

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(d) If the proper INS documentation is not available, the alien may state the reason and submit other conclusive verification. The CWD shall accept other forms of documentation or corroboration from INS that the alien is classified pursuant to Sections 101(a)(15), 101(a)(20), 207, 208, 210(a), 210A(a), 212(d)(5), 243(h)(1), 245A, 245A(b)(1), or 249 of the Immigration and Nationality Act, or other conclusive evidence such as a court order stating that deportation has been withheld pursuant to Section 243(h) of the Immigration and Nationality Act. A properly completed INS Form G-641 also shall also be acceptable verification of eligible alien status. (Continued)

.53 Verification of Questionable Information (Continued)

.532 Citizenship

(a) When a household's statement is questionable that one or more of its members are U.S. citizens, the household shall be asked to provide acceptable verification. Acceptable forms of verification include birth certificates, religious records, certificates of citizenship or naturalization provided by ~~Immigration and Naturalization Service (INS)~~, such as ~~Identification Cards for use of resident citizens in the United States (the INS Form I-179 or the INS Form I-197551)~~ or U.S. passports. Participation in the AFDC program shall also be considered acceptable verification if verification of citizenship was obtained for that member(s). If the above forms of verification cannot be obtained, the CWD shall accept a signed statement from someone who is a U.S. citizen which declares, under penalty of perjury, that the member in question is a U.S. citizen. The signed statement shall contain a warning of the penalties for helping someone commit intentional Program violation. (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Section 11023.5, Welfare and Institutions Code; and 7 CFR 273.2(b)(ii), (c)(5) and (j)(1); and 7 U.S.C.A. 2020(e)(2); and Sections 10554 and 18904, Welfare and Institutions Code.

Amend And Rerumber Section 63-301 To Read:

63-301 APPLICATION PROCESSING TIME STANDARDS (Continued)

63-301

.3 Denying the Application

Households ~~that are found~~ determined to be ineligible shall be sent a ~~Notice of~~ ~~Denial~~ ~~action denying their application~~ as soon as possible but not later than 30 days following the date the application was filed. ~~See Table I/I~~

.31 If the household has failed to appear for two scheduled interviews and has made no subsequent contact with the CWD to express interest in pursuing the application, the CWD shall send the ~~Household a~~ ~~Notice of~~ ~~Denial of~~ ~~action denying the application~~ by the 30th day following the date the application was filed. ~~But/~~ ~~The CWD shall reopen the case without requiring a new application if the applicant makes an office visit for the rescheduled interview anytime within the 30-day application processing period.~~

.32 (Continued)

.33 TABLE I (Continued)

.4 Delayed Actions (Continued)

.41 Determining Cause (Continued)

.411 (Continued)

(b) In cases where verification is incomplete, the CWD must have provided the household with a ~~written statement of required verification, the FS 8 (4/90)~~; assistance when required, as specified in Section 63-300.55; and sufficient time to provide the missing verification. Sufficient time shall be at least 10 days from the date of the initial request for the particular verification that was missing.

(Continued)

.42 Delays Caused by the Household

If by the 30th day of the application processing period, the CWD cannot take further action on the application due to the fault of the household, the household shall lose its entitlement to benefits for the month of application. The CWD has the option of ~~sending the household either to a notice of denial or a notice of pending status (DPA 377/1)~~ ~~deny or pend the application and to notify the household of the action taken by sending the household a notice of action either denying or pending the application~~ on the 30th day. The option chosen by the CWD shall apply to all households within the county.

.421 If a notice of denial is sent (see section 837304/23) the application is denied, the CWD shall notify the household of the action it must take to reactivate its application; that the case will be reopened without a new application if the required action is taken within 30 days of the date the notice of action denying the application is mailed; and that if the household does not take the required action within the 30-day period, it must submit a new application must be submitted in order if it wishes to participate in the Food Stamp Program. (Continued)

.422 If a notice of pending status (see section 837304/24) is sent the application is held pending, the CWD shall notify the household of the action it must take to complete the application process, and that if the household does not take the required action within 60 days of the date the application was filed, its application shall be denied and a new application must be submitted if the household wishes to participate in the Food Stamp Program.

(a) If verification has not been provided, the CWD has the option of pending the application for only 30 days following the date of the initial request for the particular verification that is missing.

(b) If the household fails to take the required action by the date specified on the pending notice of action, the CWD shall deny the application without providing further notice to the household. (Continued)

.424 If the household responds and is determined ineligible during the second 30-day processing period, the CWD shall deny the application and provide the household with a denial notice of action informing them of the denial.

.43 Delays Caused by the CWD

.431 Whenever a delay in the initial 30-day application processing period is the fault of the CWD, the CWD shall take immediate corrective action. The CWD shall not deny the application but instead shall instead continue to process the application and send the household a notice of action informing them of the pending status (DFA 37711) of their application by the 30th day following the date the application was filed informing the household that its application is pending.

(a) If the case file is not complete enough to determine eligibility, the CWD shall send the household a notice of pending status (DFA 37711) indicating the action it must take to complete the application process as described in section 837301/4221 pending status notice of action shall indicate any action necessary by the household to complete the application process.

.432 If the household is determined eligible during the second 30-day period, the CWD shall provide benefits retroactive to the date of the application. If the household is determined ineligible during the second 30-day processing period the application shall be denied and the CWD shall provide the household with a ~~denial~~ notice (PFA 377/1) of action denying their application.

.44 Delays Beyond 60 Days

.441 (Continued)

(b) If the household is determined ineligible, the CWD shall deny the application and provide the household with a ~~denial~~ notice (PFA 377/1) of action denying their application.

(c) TABLE II (Continued)

.442 If the CWD is at fault for not completing the application process by the end of the second 30-day period, but the case file is not complete enough to determine eligibility, the CWD shall continue to process the original application and ~~notify send~~ the household a notice of action informing them that the application is being held pending (PFA 377/1). and The household shall be advised of the action if must take necessary to complete the application process/ The household shall also be advised and of its the possible entitlement to retroactive benefits as a result of the CWD's failure to process the application in the second 30-day period. The amount of benefits lost shall be calculated as specified in section 83701(4)(1)(A).

(a) The CWD shall allow the household at least 10 days to take the required action specified on the pending notice of action informing them of the pending status of their application/ except as specified below (1). However, if the CWD has chosen the option of holding the application pending only until 30 days following the date of the initial request for the particular verification that was missing, and verification is not received by that 30th day, the CWD may deny the application without further notice to the household.

(b) If the household fails to take the required action specified on the pending notice of action informing them of the pending status of their application, the CWD shall deny the application without further notice to the household.

(Continued)

.52 Identifying Households Needing Expedited Service

The CWD's application procedures shall be designed to identify households eligible for expedited service at the time the household files an application.

.521 A CWD employee or volunteer shall inform potential applicants orally of the right to expedited service for qualifying eligible households and how to initiate the process, the availability of assistance in filling out the application/ and shall be responsible for screening applications as they are filed. The CWD also shall advise individuals who inquire about the Food Stamp Program by telephone of the expedited service processing standards for eligible households. The CWD shall assist an applicant, upon request, in filling out forms and completing the application process.

.522 The screening shall consist of a review of the DFA 285-A1 or the SAWS 1 CA1/DFA 285-A1 if the applicant elected to complete the expedited service section. The CWD shall immediately forward the application for processing when it is determined that the applicant is entitled to expedited service. The CWD shall also advise individuals who inquire about the Food Stamp Program by telephone of the expedited service processing standards for qualifying households!

.523 Households being recertified or reapplying after less than a one-month break in certification shall be entitled to expedited service if determined eligible in accordance with as specified in Section 63-301.51. (Continued)

.6 PA Households (Continued)

.63 Application Processing Standards and Procedures

When all members of a household apply for both Food \$tamps and public assistance (PA), the application shall be made on the joint application forms/ (SAWS 1) (4/90) CA1/DFA 285-A1 and BC (JA 2) (4/90) CA 2/DFA 285-A2. PA applicant households not desiring applying for Food \$tamps shall either enter a signed statement to this effect on the (SAWS 1) (4/90) CA1/DFA 285-A1 or check the appropriate box on the BC (JA 2) (4/90) CA 2/DFA 285-A2. If a PA applicant household does not check the box marked Food \$tamps or specifically indicate that they do not wish Food \$tamps, the household's application shall nottheless be considered a request for both PA and Food \$tamps unless it is determined otherwise during the interview. (Continued)

.631 (Continued)

(b) (Continued)

(1) If the NA case is denied, the Notice of action initial (DFA 377/1) shall inform the household to notify the CWD if its PA benefits are approved.

(2) The CWD shall ensure that the denied application of a potentially categorically eligible household is easily retrievable in the event that PA benefits are subsequently approved. *(See Section 87301/8721)*

.632 (Continued)

.633 For all households, the CWD shall anticipate with reasonable certainty the amount and date of receipt of the initial PA payments. Initial PA payments include the first month's basic grant and any immediate need or other PA payments that were issued prior to the authorization of the first month's basic grant.

(a) If a PA payment will not be received until a subsequent month, the CWD shall vary the household's benefit level according to the anticipated receipt of the payment and ~~notify~~ send the household *(DFA 3771 11/88) a notice of action.*

(b) If the amount or date of receipt of the initial PA payment cannot be anticipated with reasonable certainty at the time of the ~~Food \$Stamp~~ eligibility determination, the PA grant shall be handled as a change in circumstances. However, the CWD is not required to send a notice of ~~any~~ ~~action~~ if the receipt of the PA grant reduces, suspends/ or terminates the household's ~~Food \$Stamp~~ benefits, provided the household is notified in advance that *its benefits may be reduced/ suspended/ or terminated this may occur* when the grant is received. Termination of the case shall be permitted if the household is not categorically eligible *in accordance with Section 87301/8.*

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(c) See Handbook Section 63-503.212 (a) (1) (A) for an example.

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.634 (Continued)

.8 GA Households

.81 CWDs shall advise all GA applicant households of their potential categorical eligibility for ~~Food \$Stamp~~ benefits and provide these households with a food stamp application form DFA 285-A1 and DFA 285-A2 or the joint application forms. GA households shall not be considered categorically eligible for ~~Food \$Stamp~~ benefits unless they receive, or are authorized to receive, benefits from a GA program appropriate for categorical eligibility as specified in Section 63-301.82.

.811 CWDs shall allow households in which all members are applying for GA benefits to leave a signed ~~f~~Food ~~s~~Stamp application ~~PA 2837~~ ~~A2~~, which contains, at a minimum, the household's name, address, and signature, at the GA office. The GA office shall forward these applications that same day to the appropriate ~~f~~Food ~~s~~Stamp office for processing.

.812 The procedural and timeliness requirements that apply to the non-PA application process shall begin when the ~~f~~Food ~~s~~Stamp office receives the application. Since there may be a delay involved in the transferring of applications from GA offices to food stamp offices, households shall be advised that they may receive faster service if they take the application directly to the ~~f~~Food ~~s~~Stamp office. (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Sections 10554, 18901 and 18904, Welfare and Institutions Code; 7 CFR 271.2; 7 CFR 273.2(h)(1)(C), (i)(4)(iii)(B), (j), (j)(1), (j)(1)(iv), and (j)(2)(iii); 7 CFR 273.8(e)(17); 7 CFR 273.10(c)(1); 7 CFR 274.2; (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal. Feb. 1, 1990) F. Supp. [Dock No. CV-889-0768].); and Public Law 102-237, Section 905, as specified in Federal Administrative Notice 92-12, dated January 9, 1992.

Amend Section 63-404 To Read:

63-404 SOCIAL SECURITY NUMBERS

63-404

.1 Applicant or recipient households shall provide the CWD with the social security number (SSN) of each household member or shall provide verification of application for an SSN prior to certification. If individuals have more than one number, all numbers shall be required. *(See Section 63-301/71 for categorically eligible households)*

.11 The CWD shall explain to applicants and recipients that refusal or failure without good cause to provide or apply for an SSN shall result in disqualification of the individual for whom the SSN is not obtained *in accordance with Section 63-404/4.* The CWD shall send the household a notice of *adverse* action explaining the effect of the disqualification on the eligibility and allotment of the remaining household members *in accordance with Section 63-304/761. If individuals have more than one number, all numbers shall be required/*

.112 (Continued)

.113 (Continued)

.2 Exemption for Expedited Processing Applicants (Continued)

.6 Verification

.61 The SSNs reported by the household shall be verified by SSA through IEVS. The CWDs shall submit SSNs through IEVS to SSA for verification.

.62 The application for a SSN shall be verified by obtaining the SSA CDSS approved documentation of application from SSA. *10/11 \$PSS/1's Approved documentation includes, but is not limited to, the MC-194, the SSA-5028 or the hospital issued SSA-2853-OP3.* (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 273.2(j)(3) and (4), 7 CFR 273.10(b), 7 CFR 273.6, and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-407 To Read:

63-407 WORK REGISTRATION REQUIREMENTS (Continued)

63-407

.56 Within 10 days of determining that noncompliance with any of the general Food Stamp work requirements at Sections 63-407.42, .43, and .44 was without good cause, in accordance with as specified in Section 63-407.57, the CWD shall provide the individual or household with a Notice of Disqualification/ DFA 377.10/ 17/89/ action informing them of the disqualification. Such notification in addition to the requirements specified in Section 63-504.21, the notice shall contain a description of the act of noncompliance, the proposed period of disqualification and shall specify that the individual or household may reapply at the end of the disqualification period. Information shall also be included describing the action which can be taken to end or avoid the sanction, and procedures contained in Section 63-407.6. This disqualification period shall begin with the first month following the expiration of the adverse notice period, unless a state hearing is requested. If a state hearing is requested, continued participation shall be in accordance with Section 63-804.6. (Continued)

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.562 The recommended CDSS developed form to use for notification of disqualification actions is the DFA 377.10.

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.57 Determining Good Cause (Continued)

.58 Conciliation (Continued)

.586 If the registrant fails to comply by the end of conciliation, the CWD shall provide the individual or household with a Notice of Disqualification/ DFA 377.10/ 17/89/ action informing them of the disqualification. (See Section 63-407.56 for a description of this notice.) (Continued)

.8 Food Stamp Employment and Training Program (Continued)

.84 Program Requirements (Continued)

.843 Data Collection (Continued)

(f) Number of work registrants sent a notice of adverse action sent a notice of action informing them of the disqualification and applicants denied certification for failure to comply with the program requirements. (Continued)

Authority Cited: Sections 10553, 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 273.1(d)(2); 7 CFR 273.7(d)(1)(ii)(A) and (E); 7 CFR 273.7(f), (f)(1)(vi), (f)(2), and (f)(4)(ii); and 7 CFR 273.7(g)(1)(ii) and (iii); and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-408 To Read:

63-408 VOLUNTARY QUIT (Continued)

63-408

.2 Participating Households (Continued)

.22 Upon a determination that the voluntary quit was not for good cause, the CWD shall provide the household with a Notice of action informing them of the proposed disqualification. (DFA 377/10) The notice shall be issued within 10 days of making the determination. In addition to the requirements specified in Section 63-504.21, the notice shall:

(Continued)

.25 (Continued)

.252 (Continued)

(Aa) (Continued)

(Ab) (Continued)

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(c) EXAMPLE 1

A household's certification period ends January 31. They apply for recertification on January 3. During the eligibility interview on January 10 it is determined that the PWR voluntarily quit a job without good cause on December 16. The CWD would deny recertification and send a Notice of action informing the household of the proposed disqualification for the period of February 1 through April 30.

(d) EXAMPLE 2

A household's certification period ends January 31. They do not apply for recertification. The CWD learns that the PWR voluntarily quit a job without good cause on December 16th. The CWD would terminate the case effective January 31, send a Notice of action informing the household of the proposed disqualification for the period of February 1 through March 1, and establish a claim for benefits received during the month of January.

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.3 (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-501 To Read:

63-501 RESOURCE DETERMINATIONS (Continued)

63-501

.6 Transfer of Resources (Continued)

.63 Notice Requirements

.631 In the event the ~~county welfare department~~ CWD establishes that an applicant household knowingly transferred resources for the purpose of qualifying or attempting to qualify for ~~Food \$Stamp~~ benefits, the household shall be sent a Notice of ~~penal~~ action denying the application and explaining the reason for the length of the disqualification. The period of disqualification shall begin in the month of application.

.632 If the household is participating at the time of the discovery of the transfer, a Notice of ~~Adverse~~ Action explaining the reason for and length of the disqualification shall be sent. The period of disqualification shall be made effective with the first allotment to be issued after the Notice of ~~Adverse~~ Action period for timely notice has expired, unless the household has requested a fair state hearing and continued benefits. A transfer of assets to qualify for the program must not be treated as a fraudulent action in and of itself. However, concealment and misrepresentation of the assets transferred shall constitute fraud and shall be subject to the provisions for fraud treatment in Section 83-803.

.64 The length of the disqualification period shall be based on the amount by which nonexempt transferred resources, when added to other countable resources, exceeds the allowable resource limits.

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.641 For example, if a one-person household with \$1,250 in the bank, transferred ownership of a car worth \$5,500, \$1,000 of that transfer would be considered because the first \$4,500 of the car's value is exempt. When that \$1,000 is added to the \$1,250 in the bank and applied toward the \$2,000 resource limit, \$250 is left as excess resources and used to determine the period of disqualification.

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.642 The following chart will shall be used to determine the period of disqualification. (Continued)

.65 A transfer of assets to qualify for the Program shall not be treated as a fraudulent action in and of itself. However, concealment and misrepresentation of the assets transfer shall constitute fraud and shall be subject to the intentional Program violation provisions of Section 63-805.

.7 (Continued)

.8 (Continued)

Authority Cited: Sections 10553, 10554, 11209 and 18904, Welfare and Institutions Code.

Reference: Sections 10554, 18901, and 18904, Welfare and Institutions Code; and 7 CFR 272.8(e)(17), Public Law 101-201, P.L. 100-50, Sections 22(e)(4) and 14(27), enacted June 3, 1987; P.L. 101-508, Section 11111(b); 26 U.S.C. 32(j)(5); 42 U.S.C.A. 5122 as amended by P.L. 100-707, Section 105(i), U.S.D.A. Food and Nutrition Service Administrative Notice 91-30; Public Law 102-237, Section 905, as specified in Federal Administrative Notice 92-12, dated January 9, 1992; and Index Policy Memo 90-22, dated July 12, 1990.

Amend Section 63-503 To Read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS (Continued) 63-503

.23 Households Subject to Retrospective Budgeting After the Beginning Months

.231 Prospective Eligibility

The CWD shall continue to prospectively determine ~~Food \$Stamp~~ eligibility after the beginning months. To ~~make this determination the CWD shall act in accordance with Sections 837303/2311(d), (b), (c), and for categorically eligible households, Section 837301(f) and 1821~~ The prospective eligibility determination shall determines whether or not a household continues to be eligible for benefits, ~~it~~ and does not determine what benefit level a household is entitled to receive. A household is neither eligible for a restoration of benefits, nor shall a claim be established against a household for an inaccurate estimate of a household's prospective eligibility. Categorically eligible households shall be considered eligible for Food Stamps because of their status as PA recipients. The prospective eligibility determination for other households shall be made as follows. (Continued)

.232 Retrospective Budgeting (Continued)

(a) Actual Income

For purposes of determining the household's level of benefits for the issuance month, the CWD shall take into account the household's actual reported income for the budget month, except as specified below in Section 88-303/777AAY (1Y) (1Y) for child/spousal support disregard payments, which shall be counted as income and based on CWD information. (Continued)

(d) Discontinued Income (Continued)

(2) After the Beginning Months

For households receiving AFDC, GA/GR, RCA, or ECA payments in the issuance month, discontinued income from the corresponding budget month shall be disregarded provided:

- (A) The household has reported the termination of the income on the ~~monthly report~~ CA 7 for the budget month or in some other manner,
- (B) The CWD has sufficient time to process the change and affect the allotment in the issuance month corresponding to the budget month in which the income stopped, and
- (C) The AFDC, GA/GR, RCA, or ECA payments are increased as a result of the termination of the income.

.24 (Continued)

.25 Determining Deductions For All Households (Continued)

.251 Billed Expenses

Except as provided in Section 63-503.252 for averaged expenses, a deduction shall be allowed only for the month the expense is billed or otherwise becomes due, regardless of when the household intends to pay the expense. Rent which is due each month shall be included in the household's shelter expenses, even if the household has not yet paid the expense. Amounts carried forward from past billing periods shall not be deducted, even if included with the most recent billing and actually paid by the household. In any event, an allowable expense shall be deducted only once.

(Continued)

(b) (Continued)

(1) Insured (Reimbursable) Medical Expenses (Continued)

- (B) When the bill is submitted and the eligible household member is covered by Medi-Cal, the share of cost shown on the member's latest ~~Report of Health Care Cost~~ MC 177-SA-M, or the doctor's bill, whichever is less, shall be the household's medical cost. (Continued).

.4 Households with Special Circumstances

.41 Households with Self-Employment Income (Continued)

.411 Monthly Reporting Households with Self-Employment Income

- (a) Monthly reporting households which receive self-employment income on a monthly basis shall report the actual amount of such income on the ~~monthly report~~ (CA 7). The CWD shall calculate the household's benefit level for each month based on the actual amount of self-employment income reported even if such income fluctuates from month to month. (Continued)

.412 Annualizing Self-Employment Income (Continued)

(b) Actual self-employment income and expense information reported and verified with the household's ~~monthly report~~ CA 7 shall be used at the household's next certification to average and project the household's circumstances for the next year or period of time the income is intended to cover, except that the self-employment income averaged for the current certification must be redetermined in the following instances: (Continued)

.44 Treatment of Income and Resources of Excluded Members (Continued)

.444 Reduction or Termination of Benefits Within the Certification Period (Continued)

(b) When a household member is excluded for Welfare or work requirement sanction, SSN disqualification/ or ineligible alien status, and the household's allotment is subsequently reduced or terminated, the CWD shall issue a DFA 377/4 notice of action as specified in Section 63-504.26 and, as appropriate, a DFA 377/10 (Rev. 7/89) as specified in Section 63-407.56. The notice shall inform the household of the exclusion, the eligibility and monthly allotment of the remaining members and the actions the household must take to end the disqualification. (Continued)

.47 Residents of Drug/Alcoholic Treatment and Rehabilitation Programs (Continued)

.472 (Continued)

(a) If the center refuses to supply the list of residents or refuses to allow the CWD access to the facility to verify the list, the CWD shall terminate the participation of all certified households in the center for refusal to cooperate/ in accordance with Section 87503. The households shall be sent a timely notice of action informing them of the termination through the use of the notice of adverse action as specified in Section 87504/246. (Continued)

.473 The following provisions apply to residents of treatment centers: (Continued)

(d) Resident households shall be afforded the same rights to notices of adverse action/ state hearings/ and entitlement to lost benefits as all other food stamp households/ except as specified in Section 87503/4781 Resident households have the same rights as other households to receive advance notice of CWD actions, request state

hearings and receive restoration of lost benefits, except for those residing in an institution disqualified as an authorized retail food store. (Continued)

.475 (Continued)

(a) Once the household leaves the treatment center, the center is no longer allowed to act as that household's authorized representative. The center shall, if possible, provide the household with a ~~change report form~~ (DFA 377.5) for nonmonthly reporting households, or ~~monthly eligibility report form~~ (a CA 7) for monthly reporting households in order for the household to report to the CWD their new address and other changes in circumstances after leaving the center. The center shall also advise the nonmonthly reporting household to return the ~~report form~~ DFA 377.5 to the appropriate CWD office of the ~~CWD~~ within 10 days. (Continued)

.478 If FNS disqualifies an institution as an authorized retail food store, the CWD shall suspend its authorized representative status for the same time period. If the institution loses its authorization from FNS to accept and redeem coupons, or is no longer certified by the State Department of Alcohol and Drug Programs, its residents are no longer eligible to participate. The residents ~~are not entitled to a timely notice of adverse action but~~ shall receive written adequate notice explaining the termination and when it will become effective, as ~~provided~~ specified in Section 63-504.267 (c).

.48 Residents of group living arrangement who receive benefits under Title II of the Social Security Act.

.481 (Continued)

(c) The CWD shall verify that a ~~group~~ living arrangement is authorized by FNS either by observing the ~~arrangement's form~~ FNS-254, FSP Authorization, or by confirming the authorization with an FNS field office. (Continued)

.485 When the household leaves the facility, the group living arrangement either acting as an authorized representative or retaining the use of coupons on behalf of the residents, regardless of the method of application, shall provide residents with their ~~monthly~~ CWD issued Food Stamp ID card, access device and any untransacted authorization documents. Also, the departing household shall receive its full allotment if issued by direct mail and if no coupons have been spent on behalf of that individual household. These procedures are applicable any time during the month.

(a) ~~However/~~ If the coupons have already been issued and any portion spent on behalf of the individual, and the household leaves the group living arrangement prior to the 16th day of the month, the group living arrangement shall provide the household with its ~~empty~~ CWD issued Food Stamp ID card and one-half of its monthly coupon allotment.

(1) If the household leaves after the 16th of the month and the coupons have already been issued and used, the household does not receive any coupons.

(2) If a group of residents have been certified as one household and have returned coupons to the facility to use, the departing residents shall be given a pro-rata share of one-half of the household's monthly allotment if leaving prior to the 16th day of the month.

(b) Once the resident leaves, the group living arrangement may no longer act as his/her authorized representative.

(1) For nonmonthly reporting households, the group living arrangement shall, if possible, provide the household with a ~~Change report form~~ DFA 377.5 to report to the CWD the individual's new address and other changes in circumstances after leaving the group living arrangement and shall advise the household to return the form to the CWD within 10 days.

(2) For monthly reporting households, the group living arrangement, if possible, shall provide the household with a ~~monthly report form~~ CA 7, and instruction on completing the report form it. However, the household is responsible for reporting the changes in household circumstances to the CWD.

(c) If a resident or a group of residents apply on their own behalf and if they retain use of their own coupons, these individuals are entitled to keep the coupons when they leave. If a group of residents have applied as one household, a pro rata share of the remaining coupons shall be provided to any departing member.

(1) For nonmonthly reporting households, the group living arrangement shall, if possible, provide the household with a ~~Change report form~~ DFA 377.5 to report to the CWD the individual's new address and other changes in circumstances after leaving the group living arrangement and shall advise the household to return the form to the CWD within 10 days.

(2) For monthly reporting households, the group living arrangement, if possible, shall provide the household with a ~~monthly report form/ CA 7~~, and instruction on completing ~~the report form~~ ~~it~~. However, the household is responsible for reporting the changes in household circumstances to the CWD.

(d) The group living arrangement shall return to the CWD any coupons it was unable to return to departing residents.

.486 The provisions of Section 63-503.476 shall also apply to all group living arrangements. (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2; 7 CFR 272.3(c)(1)(ii); 7 CFR 273.1(b)(2)(iii); 7 CFR 273.10(c)(2)(iii); 7 CFR 273.11(a)(2)(i), (c), (c)(1), (c)(2)(iii), (c)(3)(ii), (d)(1), and (e)(1); 7 CFR 273.21(f)(2)(ii), (iii), (iv), and (v), (g)(3), (j)(1)(vii)(B), and (s); (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal. Feb. 1, 1990) F. Supp. [Dock. No. CV-89-0768]; Waiver Letter WFS-100:FS-10-6-CA, dated October 2, 1990, United States Department of Agriculture, Food and Nutrition Service; Administrative Notice No. 92-23, dated February 20, 1992; and P.L. 101-624; and Sections 10554 and 18904, Welfare and Institutions Code.

Amend And Rerumber Section 63-504 To Read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING ELIGIBILITY

63-504

.1 Certification Periods (Continued)

.14 Shortening the Length of the Certification Period (Continued)

.142 The CWD shall provide the household with a Notice of action of expiration of certification (NEC) 377/271 in accordance with as specified in Section 63-504.252, when its their certification period is shortened. The notice shall inform the household shall be informed that its the certification period has been shortened to and will expire at the end of the month following the month in which the NEC notice was sent and of the specific reason for shortening the certification period shall be provided in the NEC. The recertification shall be completed in accordance with Section 63-504.161

.143 The CWD may terminate the household's participation prior to the last month of the shortened certification period if the CWD receives information that renders the household ineligible and there is sufficient time to provide a timely notice in accordance with Section 63-504.281 of the termination.

.2 Notices of Action (Continued)

.21 General Requirements

.211 All notices of action shall contain the information necessary to be considered adequate. Requirements for specific notices are contained in Sections 63-504.221, 63-504.253 and 63-504.271. A notice shall To be considered adequate, a notice of action shall:

(a) if it explains in easily understandable language:

(1) the proposed action;

(2) the reason for the proposed action;

(3) the household's right to request a state hearing/ and contains the telephone number to contact for additional information;

(4) the availability of continued benefits/ and the potential liability of the household for any overissuance received while awaiting a state hearing, if the hearing decision is adverse to the household.

- (b) Contain the telephone number to call for additional information. For households living outside the local calling area, the notice shall contain a toll-free number or a number where collect calls will be accepted shall be provided. All notices shall contain the information necessary to be considered adequate!
- (c) Advise the household of the availability of free legal representation if there is an individual or organization available that provides these services.

HANDBOOK BEGINS HERE

.212 The CWD may provide the name of a worker to contact.

HANDBOOK ENDS HERE

.213 A notice of action shall be considered timely if there is are at least 10 days from the date the notice is mailed until the effective date of the change.

.22 Notice of Approval /DFA 377/1Y Actions

.221 When an application is approved, the CWD shall send the household a written approval notice /DFA 377/1Y of action as soon as the determination is made, but no later than 30 days after the date of the initial application, except as specified in Section 837304/221 (a)(1) if unless the household's application was held pending/ as specified in Section 837304/24/ the notice of approval. When a pended application is approved, the notice shall be sent as soon as the determination is made, but no later than the date the household receives its their first allotment for the certification period.

.221 The notice of action shall advise the household of the following:

- (a) The amount of the allotment;
- (b) The beginning and ending dates of the certification period; and
- (c) Any anticipated variations in the benefit level based on changes anticipated at the time of certification.

.222 When the initial allotment includes benefits for both the month of application and the second month's benefits, the notice shall inform the household that this initial allotment includes more than one month's benefits and shall indicate the monthly benefit level for the remainder of the certification period.

.2223 In cases where When a household's application is approved on an expedited basis and verification is postponed, as provided in Section 63-301.54 as provided in Section 63-301.54, the notice shall inform the household shall be advised of the requirements for providing the postponed verification, as specified in Section 63-301.54, as specified in Section 63-301.54.

.224 When the household is required to receive notice of the expiration of their certification period at the time of certification, the notice approving their application may be combined with this notice, or separate notices may be sent.

HANDBOOK BEGINS HERE

.225 The recommended CDSS developed form to use for notification of approval actions is the DFA 377.1 or a County substitute containing all notice requirements.

HANDBOOK ENDS HERE

.23 Notice of Denial (DFA 377.1) Actions

.231 When an application is denied, the CWD shall provide the household with a written denial notice (DFA 377.1) of action explaining the basis for the denial. The denial notice shall be provided to the household as soon as the determination is made, but no later than 30 days from the date the application was filed, unless the application was previously held pending/ as provided in Section 63-301.4. Once a pended application is denied, the notice shall be sent as soon as the determination is made.

1/231 If a potentially categorically eligible household which is potentially categorically eligible is denied NA Food Stamps, the Notice of denial shall inform the household to notify the CWD if its PA or GA benefits are approved. See Section 63-301.631(b)(1)

.232 In cases where If the CWD has elected to use a notice of denial to deny an application when a delay is caused by the household's failure to take action to complete the application process, as provided specified in Section 63-301.42, the DFA 377.1 the notice informing shall be provided to the household by of the denial action shall be provided no later than 30 days following the date the application was filed.

.233 In cases where When the same application is used to determine the household's ineligibility for the month of application and its eligibility for the subsequent month, as provided in Section 63-303.14/ the CWD shall provide the household with a combined or separate DFA 377.1 notice may be used for both the denial and approval actions.

HANDBOOK BEGINS HERE

.234 The recommended CDSS developed form to use for notification of denial actions is the DFA 377.1A or a County substitute containing all notice requirements.

HANDBOOK ENDS HERE

.24 Notice of Pending Status (DFA 377/1Y)

When an application is ~~not~~ held pending because some action by the CWD is necessary to complete the application process, as specified in Section 63-301.411 or the CWD has elected to pend all cases regardless of the reason for the delay, the CWD shall provide the household with a written pending notice (DFA 377/1Y). The household shall be provided the pending notice in accordance of action informing the household of the action within the appropriate time frames specified in either Section 63-301.412 or .431.

HANDBOOK BEGINS HERE

.241 The recommended CDSS developed form to use for notification of the pending status of an application is the DFA 377.1A or a County substitute containing all notice requirements.

HANDBOOK ENDS HERE

.25 Notice of Expiration or Shortening of The Certification Period (MEC) (DFA 377/2Y)

.251 Expiration of the Certification Period

The CWD shall provide each household shall receive a with notice of the impending expiration (MEC) of their certification period. Notice shall be given during the next to last month of the certification period, except as provided in Sections 63-304/231/1Y and 63-304/232 specified under the following circumstances.

(a) Notice is not required for a PA household whose applications for Food Stamps and PA benefits were was jointly processed, in accordance with Section 63-301/6/ need not receive a MEC (DFA 377/2Y) if the household is recertified for Food Stamps at the same time as the PA redetermination, provided the redetermination occurs in the month prior to the last month of the certification period, as assigned in Section 63-304/1.

(b) In situations where Notice is required at certification if a the household is initially certified initially for a one or two month period of for the months, and the certification is completed in the month following the month of application, the household shall be provided a MEC (DFA 377/2Y) at the time of certification.

.252 Shortening the Certification Period

The CWD shall provide notice of action to each household whose certification period is shortened, in accordance with as specified in Section 63-504.14/, with an NCC except as provided in Section 63-504.231 (a). The CWD notice may be sent send the NCC to the household at any time during the month in which the change in household circumstances requiring recertification occurred or was reported. However, but it must be received by the household no later than the first day of the last month of the shortened certification period.

.253 Notice Requirements

The notice of action sent to inform the household of the expiration or shortening of their certification period shall advise the household of the following:

- (a) The date the current or shortened certification period ends;
- (b) The date by which the household must file an application for recertification to receive uninterrupted benefits;
- (c) That the household must appear for any interview scheduled on or after the date the application is timely filed in order to receive uninterrupted benefits;
- (d) That the household is responsible for rescheduling any missed interview;
- (e) That the household must complete the interview and provide all required verification in order to receive uninterrupted benefits;
- (f) The number of days the household has for submitting missing verification if the household is informed at the interview of any further verification needed to receive uninterrupted benefits;
- (g) The household's right to request an application and submit an application to the CWD as long as it is signed and contains a legible name and address;
- (h) The address of the office where the application must be filed;
- (i) The consequences of failure to comply with the notice of expiration;
- (j) The household's right to file the application by mail or through an authorized representative; and

(k) The household's right to request a state hearing.

HANDBOOK BEGINS HERE

.254 The recommended SDSS developed form to use for notification of the expiration or shortening of a certification period is the DFA 377.2 or a County substitute containing all notice requirements.

HANDBOOK ENDS HERE

.26 Notice of Changes in Eligibility Status or Benefit Levels (DFA 377/4)

A notice of change The CWD shall be used to notify provide a notice of action to inform a household of any change in its eligibility status or allotment benefit level during their certification period/ except as provided in Section 63-304/267.

(Continued)

.261 Notice of Adverse Actions (DFA 377/4)

The CWD Timely notice shall be provided to a household timely notice prior to any action to reduce or terminate its benefits within the certification period, except as provided specified in Sections 63-504.2634, .266, and .267.

.262 Notice of Suspension (DFA 377/4)

The CWD shall provide the household whose benefits have been suspended/ in accordance with Section 63-304/371 with a notice of suspension (DFA 377/4). The time frame for providing this notice shall be as specified in Section 63-304/2631.

.263 Notice of Increased Benefits (DFA 377/4)

The CWD Adequate notice shall be provided the to a household with a notice of change (DFA 377/4) whenever its benefits are increased as a result of a reported change/ The DFA 377/4 shall be provided to the household by no later than the date it receives its the increased benefits are received.

.264 Notice of Proposed Change in Benefits (DFA 377/4)

The CWD shall provide a notice of a proposed change in benefits shall be sent to a monthly reporting household that fails to submit verification/information of a deduction with a CA 7 that is otherwise complete as specified in Section 63-504.32, or submits a CA 7 that contains questionable information as defined in Section 63-300.53.

- (a) The CWD shall send the DFA 377/4 notice of action to the household shall be sent no later than 10 days before the end of the report month. and give the household shall be given until the extended filing date to provide the missing verification/information.
- (b) If the household submits a CA 7 after the CWD has mailed a discontinuance/reminder notice (MA 980) the notice specified in Section 63-504.27, the CWD need not provide a Notice informing the household of a proposed change in Benefits to the household.
- (c) If the household submits incomplete verification/classification/information after the CWD has mailed a Notice informing the household of a proposed change in Benefits, the CWD need not provide a second Notice of proposed change in Benefits to the household.

2654 Notification to Monthly Reporting Households (DFA 377/4)

The CWD shall provide a notice of action to a monthly reporting household with a notice of change for to inform them of any increase or decrease in allotment benefits or any suspension of benefits as specified in Section 63-504.37, resulting from information reported by the household on the CA 7. The time frame for providing the DFA 377/4 shall be as follows:

- (a) Notice shall be provided to a household which submits a complete CA 7, including all required verification, to the CWD by the 11th of the report month shall be provided a notice of change:
 - (1) At least 10 days before the effective date of the allotment change/ except as provided in Section 63-504.28 a decrease in benefits; or
 - (2) No later than the date of receipt for an increase in benefits.
- (b) Notice shall be provided to a household which submits a complete CA 7 after the 11th of the report month and by the extended filing date shall be provided a notice of change no later than the household's normal or delayed issuance date.

HANDBOOK BEGINS HERE

265 The recommended CDSS developed form to use for notification of changes in eligibility status or benefit levels, or the suspension of benefits, is the DFA 377.4 or a County substitute containing all notice requirements.

HANDBOOK ENDS HERE

.266 Exemptions from Providing Notice (Continued)

- (g) Converting a household from voluntary repayment to allotment benefit reduction as a result of failure to make agreed to repayments/ ~~as provided in Section 63-801/722.~~
- (h) A household's participation in the Food Stamp Program is terminated because the household failed to provide verification which was postponed for expedited service/ ~~as specified in Section 63-301/343.~~
- (i) A household's participation in the Food Stamp Program is terminated because it failed to respond to an ~~MEC~~ notice of action informing them of the expiration of their certification period/ ~~as provided in Section 63-304/73.~~
- (j) A household's participation in the Food Stamp Program is terminated as specified in Section 63-504.33, because the household failed to respond to the ~~discontinuance/reminder notice~~ ~~AAA 980~~ notice of action informing them of the nonreceipt of the CA 7 by filing a complete CA 7 by the extended filing date/ ~~as provided in Section 63-304/73.~~

.267 Exemptions from Providing Timely Notice

The CWD shall provide an adequate only notice at the time of the allotment change when:

- (a) The CWD elects to use general notices to notify households of the mass changes ~~described~~ specified in Sections 63-504.391 and .392. (Continued)
- (e) A household's benefits are reduced or terminated as a result of:
 - (1) The household responding to an ~~appropriate~~ notice ~~AAA 377/14~~ of action requesting verification which was postponed for expedited service/ ~~as provided in Section 63-301/343.~~
 - (2) The household responding to a ~~discontinuance/reminder~~ notice ~~AAA 980~~ of action requesting the household to submit a complete CA 7 by the extended filing date.
 - (3) The household responding to a ~~discontinuance/reminder~~ notice ~~AAA 980~~ of a notice of proposed change in benefits ~~AAA 377/4~~ of action requesting the household to submit missing verification or additional verification/clarification of questionable information, as ~~provided~~ specified in Section 63-504.2643.

(4) The household failing to respond to a notice of ~~proposed change in benefits (PA 37714) action~~ requesting missing verification, as ~~provided~~ specified in Section 63-504.34.

(f) The household voluntarily requests, in writing or in the presence of an EW, that its participation be terminated. If the household does not provide a written request, the CWD shall send the household a letter confirming the voluntary withdrawal. Written confirmation does not entail the same rights as a notice of ~~delays~~ action except that the household may request a state hearing. (Continued)

.27 Discontinuance/Reminder Notice MA 980 CA 7 Not Received/CA 7 Incomplete

HANDBOOK BEGINS HERE

See handbook section in 63-504.26 for Saldivar v. McMahon court order requirements for timely and adequate notice.

HANDBOOK ENDS HERE

1271 The CWD shall provide ~~in MA 980~~ a notice of action to a monthly reporting household ~~when the household which~~ fails to file a monthly report (CA 7) by the 11th of the report month or files an incomplete CA 7.

.271 The notice of action shall inform the household:

- (a) That the CA 7 either is overdue or incomplete;
- (b) What the household must do to complete the CA 7;
- (c) If any verification is missing and the effect on the household's benefits level;
- (d) That the SSN of a new member must be reported;
- (e) What the extended filing date is; and
- (f) That the CWD will assist the household in completing the report.

.272 The CWD shall send the ~~MA 980~~ notice of action no later than 10 days before the end of the report month and give the household until the extended filing date, as specified in Section 63-504.33, to file a complete CA 7. If a complete CA 7 is received after the 11th of the report month, but prior to the mailing of the ~~MA 980~~ notice, the ~~CWD~~ notice shall not be sent ~~to the MA 980~~ to the household.

.2723 If a household responds to an NA 960 provided under Section 63-504/271 the notice of action by submitting an incomplete CA 7, the CWD need not provide a second NA 960 notice to the household.

HANDBOOK BEGINS HERE

.274 The recommended CDSS developed forms to use in notifying households of a missing or incomplete CA 7 are the NA 960X or NA 960Y, respectively or a County substitute containing all notice requirements.

HANDBOOK ENDS HERE

.3 Monthly Reporting

The CWD, at the time of the application interview, shall determine which households are subject to monthly reporting requirements, as specified in Section 63-505.2. The CWD shall provide all monthly reporting households with the monthly ~~eligibility~~ report (CA 7) for reporting the information and changes required by Section 63-505.3. Additionally, the CWD shall provide assistance in completing and filing the CA 7 to households whose adult members are all either mentally or physically ~~handicapped~~ disabled, non-English speaking or lacking in reading and writing skills such that they cannot complete and file the CA 7. The CWD shall require monthly reporting households to submit ~~an~~ a monthly basis a complete CA 7 by the 5th of each report month. The Recipient due dates and CWD time limits shall be modified by Section 63-102c. If the household fails to submit a complete CA 7 by the eleventh of the report month, the CWD shall take action in accordance with Section 63-504/271 (Continued)

.32 Complete CA 7 (Rev/ 7/87) (Continued)

.33 CWD Action on an Incomplete CA 7

HANDBOOK BEGINS HERE

(a) See handbook Section 63-504.26 for Saldivar v. McMahon court order requirements for timely and adequate notice.

HANDBOOK ENDS HERE

(b) The CWD shall send the NA 960X in accordance with Section 63-504/271 to a household that fails to report by the 11th of the report month.

(b) The CWD shall send the NA 960X in accordance with Section 63-504/271 to a household that files an incomplete CA 7.

(b) After notifying the household as specified in Section 63-504.27, the CWD shall allow the household until the extended filing date to file a complete CA 7.

(dc) The CWD household's participation shall be terminated ~~the~~ ~~household~~ effective the end of the report month, in accordance with as specified in Section 63-504.36, if the household fails to file a complete CA 7 by the extended filing date.

.34 CWD Action on a Complete CA 7 Requiring Additional Verification/Information

HANDBOOK BEGINS HERE

See handbook section in 63-504.26 for Saldivar v. McMahon court order requirements for timely and adequate notice.

HANDBOOK ENDS HERE

~~The CWD shall require households to submit with the CA 7 verification/information of the items listed in Section 63-504.341. If the household submits ~~the~~ a CA 7 by the date the CWD mails the ~~WA 980~~ notification of the missing CA 7, but fails to provide the required verification/information with the CA 7, the CWD shall notify the household ~~WA 377/4~~ as specified in Section 63-504.26 of the need to submit the missing verification/information by the extended filing date. The CWD shall not delay ~~the~~ benefits of a household submitting a complete CA 7 ~~that is if~~ the missing verification/information of is for a deduction. If the household fails to provide the missing verification/information, other than for income verification/information, by the extended filing date, the CWD shall not consider the CA 7 incomplete. ~~but shall instead disallow~~ Any deductions for which the household has not provided verification/information/ is missing shall be disallowed/. ~~except those items~~ specified in Sections 63-504.341(g) and (h) which shall be handled/ in accordance with as specified in Section 63-504.342.~~ (Continued)

.342 If the household submits information and/or verification with the CA 7 which the CWD determines to be questionable, in accordance with as specified in Section 63-300.53, the CWD shall notify the household ~~WA 377/4~~ as specified in Section 63-504.26. ~~and The household shall be allowed the~~ household until the extended filing date to submit the necessary verification/clarification. If the household fails to submit the necessary verification/clarification by the extended filing date, the CWD shall act on the reported information if it results in a decrease in benefits, or not act on the reported information if it results in an increase. (Continued)

.35 Action on Reported Information (Continued)

.351 The CWD shall take prompt action on all changes to determine if the reported information affects the household's eligibility and/or benefit level.

(a) If the reported change results in the household becoming ineligible, the CWD shall terminate the household's participation effective the next issuance month ~~as specified in Section 63-504.36~~ unless the household is suspended, as specified in Sections 63-504.371 or .372.
(Continued)

.352 If the change reported on the CA 7, except for the addition of a new household member ~~as described in Section 63-504.33~~ results in an increase or decrease in benefits ~~to the household~~, the CWD shall make the change effective the next issuance month and notify the household ~~of the change~~ in accordance with as specified in Section 63-504.26.

.353 If the reported change results in an increase or decrease in the household's benefits due to the addition of a new household member, the CWD shall make a determination of the new household member's eligibility within 30 days of the date the change was reported/ ~~as provided in Section 63-501.1~~. To complete ~~this~~ the determination, the CWD ~~shall have~~ has the option of either requiring the household to complete the CA 8, or/ to contact the household to obtain the necessary information for the new member and update the last application. However, if the ~~household has experienced~~ a change in circumstances ~~that~~ brings continued eligibility into question, the CWD may shorten the certification period of the household, ~~in accordance with as specified in~~ Section 63-504.14, and proceed to recertify the household.

(a) The CWD shall issue benefits for the new member effective the ~~1st~~ first of the month following the month in which the change was reported. The new member shall be required to comply with the verification requirements ~~contained~~ specified in Section 63-300.5 and the work registration requirements ~~contained~~ specified in Section 63-407. If the new member is not eligible to participate, the CWD shall treat the income of that excluded member ~~in accordance with~~ as specified in Section 63-503.44.

(ab) (Continued)

(bc) The CWD shall provide notify the household with a notice of change ~~as per 377.4~~, in accordance with as specified in Section 63-504.26, if the new member's income and resources make the household ineligible or result in a reduction or increase in benefits ~~to the household~~.

.354 (Continued)

(a) The CWD shall prospectively budget the income and deductions of the new member for the first two months following the month in which the new member should have been included as a member of the household. The CWD then shall ~~not~~ follow the budgeting procedures as specified in Section 63-504.353(ab). (Continued)

.355 The household shall provide, as ~~required by~~ specified in Sections 63-300.51 and 63-504.32, the information necessary to complete the determinations of eligibility and benefit levels for the household and the new member(s)/ ~~as provided in Sections 63-504/333 and 1334~~.

- (a) If the household refuses to provide the necessary information, ~~if~~ their participation shall be terminated in accordance with as specified in Section 63-505.1.
- (b) If the household fails to provide the necessary information regarding the new member on the CA 7 for the budget month in which the change was reported, the CA 7 is considered incomplete and the household's participation shall be terminated in accordance with as specified in Section 63-504.361(b).

.356 The income and specific deductions of a member leaving the household shall be disregarded when determining the household's eligibility and benefit level for the month following the month in which the change was reported. The household shall be ~~provided with~~ sent a notice of change action ~~WFA 377/4~~ as specified in Section 63-504.26 if the household's allotment increases or decreases. The remaining household member's benefit level shall continue to be retrospectively budgeted. (Continued)

.357 (Continued)

- (a) If the change results in the household's ~~being~~ ineligibility, the CWD shall terminate the household's participation effective the first issuance month following the timely notice of adverse action the termination.
- (b) Except as specified in Section 63-504/333 for the addition of a new household member, if the change affects the benefit level, the CWD shall note the information in the case file, reflect the change in the corresponding issuance month/ and notify the household/ in accordance with as specified in Section 63-504.26.

.36 Termination

.361 The CWD shall terminate a monthly reporting household's participation in the Food Stamp Program if the household:

- (a) is no longer eligible for Food Stamps/ unless suspended in accordance with Sections 63-504/371 and 1372/ or if the CWD determines that a change in household circumstances makes the household prospectively ineligible for one or more months, the household shall be terminated/ except as provided if the household is suspended as specified in

Sections 63-504.371 or .372. The household shall be notified in accordance with as specified in Section 63-504.261.

- (b) fails to submit a complete CA 7 by the extended filing date. The household shall be notified in accordance with as specified in Section 63-504.27.
- (c) fails to comply with a nonfinancial eligibility requirement, such as the work registration requirements. The household shall be notified in accordance with as specified in Section 63-504.261.
- (d) fRequests with the termination in writing. The household shall be notified in accordance with as specified in Section 63-504.267(f).

.362 If a household which whose participation has been terminated reapplies in the month following termination, the household shall be required to provide the CA 7 which is due in the month following termination. If the household's participation was terminated in accordance with Section 63-504/6311(Y) for failure to submit a complete CA 7 by the extended filing date, if they also shall also be required to submit the missing CA 7(s) and the food stamp complete an application for ADA 283-1 and ADA 283-2. The application shall be processed in accordance with Section 63-504/6318(Y) as an untimely application for recertification. If the household fails to provide the CA 7(s), the reapplication shall be denied.

.363 If a household which whose participation has been terminated submits a complete CA 7 after the issuance month, the household shall be required to complete the food stamp an application for and the CWD shall consider the application it as an initial application.

.37 Suspension (Continued)

- .373 The CWD shall provide notify the household with a notice of the suspension (ADA 377/4Y) in accordance with as specified in Section 63-504.2624, and supply the household with a CA 7 for the month of suspension.
- .374 The household shall be required to submit the complete CA 7 by the normal due date. If the household fails to submit the CA 7 by the normal due date, the CWD shall send an MA 960 to notify the household in accordance with as specified in Section 63-504.3327.
- .375 If the suspended household fails to respond to the MA 960 submit a complete CA 7 for the month of suspension by the extended filing date, the CWD shall terminate the household's participation. (Continued)

.38 (Continued)

.39 Mass Changes (Continued)

.391 Federal Adjustments to Eligibility Standards, Allotments, Deductions, and State Adjustments to the Standard Utility Allowance (Continued)

(b) An individual notice of Adverse Action shall not be provided for these mass changes. However, the CWD shall publicize these mass changes through the news media; posters in certification offices, issuance locations, or other sites frequented by certified households; or general notices mailed to households. (Continued)

.392 Mass Changes in Public Assistance (Continued)

(b) A timely notice of Adverse Action is not required when a household's Food Stamp benefits are reduced or terminated as a result of a mass change in the public assistance grant. However, the CWD shall send individual notices to households to inform them of the change. If a household requests a full state hearing, benefits shall be continued at the former level only if the issue being appealed is that Food Stamp eligibility or benefits were improperly computed. (Continued)

.4 Effecting Changes for Nonmonthly Reporting Households

.41 Change Report Form (DFA 377.5)

The CWD shall provide a DFA 377.5 to all nonmonthly reporting households which are exempt from food stamp monthly reporting with a DFA 377.3 as specified in Section 87503/22.

.411 At a minimum, a DFA 377.5 shall be provided: to each nonmonthly reporting household

(a) At the time of certification/;

(b) At recertification, if the household needs a new form/;
and

(c) Whenever a DFA 377.5 is returned by the household.

.412 If The DFA 377.5 shall include a toll-free number or number where collect calls will be accepted for households living outside the local calling area.

.42 Action on Reported Changes for Prospectively Budgeted Households

.421 The CWD shall take prompt action on all reported changes to determine if the change affects the household's eligibility or allotment.

(a) The CWD shall document in the case file the date the change is reported by telephone or personal contact or the date the DFA 377.5 is received/.

(b) ~~and shall~~ The CWD shall notify the household of any change in ~~its~~ ~~their~~ ~~benefits~~ ~~allotment~~ ~~in accordance with as~~ ~~specified~~ in Section 63-504.26, or shall advise the household of any additional verification required in order to effect the change/ ~~and~~. The CWD also shall send a new DFA 377.5. ~~Restoration of lost benefits shall be provided to a household if the CWD fails to take action on a change which increases benefits/ within the time frames specified in Sections 63-504.422 (a) and (b)/~~

(c) (Continued)

.422 Increase in Benefits

Restoration of lost benefits shall be provided to a household if the CWD fails to take action within the following time frames on a change which increases benefits.

(a) For changes which result in an increase in a household's allotment, other than ~~the changes described those specified~~ in Section 63-504.422(b), the CWD shall make the change effective not later than the first allotment issued 10 days after the date the change was reported to the CWD.
(Continued)

(c) Changes which result in an increase in the household's benefits shall be verified, ~~in accordance with the requirements of as specified in Sections 63-300.5 and 63-504.325 (a), prior to taking action on these changes/ except as specified in Section 63-504.422 (a). The household shall be allowed 10 days from the date the change is reported to provide the required verification.~~

(1) If the household provides verification within the 10 days, the CWD shall take action on the changes within the time frames specified in Sections 63-504.422 (a) and (b). These time frames shall run from the date the change was reported.

(2) If/ ~~however/~~ the household fails to provide the required verification within 10 days after the change is reported, but provides the verification at a later

date, the time frames specified in Sections 63-504.422 (a) and (b) ~~for taking action on changes~~, shall run from the date the verification is provided.

(3) In cases where the CWD has determined that a household has refused to cooperate, as ~~defined~~ specified in Section 63-505.1, the CWD shall terminate the household's ~~eligibility~~ participation following the issuance of a timely notice of ~~adverse~~ action (DFA 377/4).

.423 Decrease in Benefits

If the household's benefits decrease or the household becomes ineligible as a result of the change, the CWD shall issue a timely notice of ~~adverse~~ action (DFA 377/4) within 10 days of the date the change was reported. The decrease in benefits shall be made effective not later than the issuance date for the month following the month in which the timely notice of ~~adverse~~ action period expires, provided a state hearing and continuation of benefits have not been requested.

.43 Nonmonthly Reporting Households Receiving PA Benefits (Continued)

.432 The CWD shall use the ~~monthly~~ eligibility report (CA 7) as the ~~Food \$Stamp~~ report form for PA households. The CWD shall ensure that the following requirements are met for PA households not subject to food stamp monthly reporting: (Continued)

.433 These households shall be ~~notified~~ sent a notice of action whenever their benefits are changed as a result of changes in the PA benefits. If the PA benefits are terminated, but the household is still eligible for food stamp benefits, members of the household shall be advised of food stamp work registration requirements, if applicable, as their PA work registration exemption no longer applies.

.434 Whenever a change results in the reduction or termination of a household's PA benefits within ~~its~~ their ~~Food \$Stamp~~ certification period, and the CWD has sufficient information to determine how the change affects the household's ~~Food \$Stamp~~ eligibility and benefit level, the CWD shall take the ~~appropriate~~ following action, ~~specified in Section 63-504.424(d)~~ and (b):

(a) If a change in household circumstances requires both a reduction or termination in PA benefits and a reduction or termination in ~~Food \$Stamp~~ benefits, the CWD shall provide the household with a timely notice of ~~adverse~~ action (DFA 377/4) at the same time that it provides the household with the appropriate PA notice of action.

(1) If the household requests a state hearing and continuation of benefits by the effective date of the action, the household's ~~Food \$Stamp~~ benefits shall be continued ~~on the basis authorized immediately prior to the sending of the notice in accordance with~~ as specified in Section 63-804.6.

(2) If the household does not ~~appeal request a state hearing~~ the change shall be made effective ~~in accordance with the procedures as~~ specified in Section 63-504.42.

(b) If a household's ~~Food \$Stamp~~ benefits will be increased as a result of the reduction or termination of PA benefits, the CWD shall issue the appropriate PA notice of action, but shall not take any action to increase the household's ~~Food \$Stamp~~ benefits until the household decides whether it will appeal the PA adverse action.

(1) If the household ~~decides to appeal and its requests a state hearing and continuation of their PA benefits are denied~~, the household's ~~Food \$Stamp~~ benefits shall continue at the same level until the end of the household's certification period or until a hearing decision upholds the CWD action to reduce or terminate PA benefits, whichever occurs first.

(2) If the household does not appeal, the CWD shall make the change effective ~~in accordance with the procedures as~~ specified in Section 63-504.421, except that the time limits for the CWD to act on changes which increase a household's benefits shall be calculated from the date the timely PA notice of action period expires.

.435 Whenever a change results in the termination of a household's PA benefits within ~~its~~ ~~their~~ ~~Food \$Stamp~~ certification period, and the CWD does not have sufficient information to determine how the change affects the household's ~~Food \$Stamp~~ eligibility and benefit level, the CWD shall take the ~~appropriate following~~ action ~~as specified in Sections 63-804/433(d) of IAY~~:

(a) When a PA notice of action has been sent, the CWD shall wait until the household's timely notice of ~~adverse action~~ period expires or until the household requests a state hearing, whichever occurs first. If the household requests a state hearing and its PA benefits are continued pending the hearing, the household's food stamp benefits shall be continued at the previous level. (Continued)

.44 Failure to Report

If the CWD discovers that the household failed to report a change as ~~required by~~ specified in Section 63-505.5 and, as a result, received benefits to which it was not entitled, the CWD shall file a claim against the household/ *in accordance with Section 87701*. If the discovery is made within the certification period and the household's benefits are reduced or terminated the CWD shall provide the household with a timely notice of adverse action *DDFA 87714*.

.441 A household shall not be held liable for a claim because of a change in household circumstances which it is not required to report/ *in accordance with Section 87703/5*.

.442 Individuals shall not be disqualified for failing to report a change unless they Individual is are disqualified/ *in accordance with the for an intentional Program violation disqualification procedures as* specified in Section 63-805. (Continued)

.6 Recertification of All Households

.61 General Requirements (Continued)

.612 All households shall be provided a notice of the impending expiration of their certification period *in accordance with as specified in* Section 63-504.251. The CWD also shall provide the household with an application, *forms/ The CWD may send the application forms which may be sent with the notice, of expiration and including an appointment date for an interview/ Or, the application forms and appointment date may be mailed or given to the household separately.*

.613 Timely Application for Recertification

(a) Monthly reporting households which file a complete monthly report CA 7 on or before the 11th of the last month of the certification period, and an application no later than the recertification interview shall be considered to have made a timely application for recertification.

(b) All nonmonthly reporting households, except those specified in Section 87704/811/6 provided a notice of action informing them of the expiration of their certification period at the time of certification, which who file applications by the 15th day of the last month of the certification period shall be considered to have made a timely application for recertification.

(c) Nonmonthly reporting households provided a notice of action informing them of the expiration of their certification period at the time of certification/ in accordance with Section 87704/811/6/ shall have 15 days from the date the notice is received to file a timely application for recertification.

(1) To ~~did the CWD in determining~~ if adequate time has been permitted, the CWD shall use the date on the notice of expiration action, plus two days for mailing time.

(2) In cases of dispute, if the household can demonstrate that the notice of expiration action was not received in a timely manner and otherwise submits ~~its~~ their application within 15 days after receiving the notice of expiration, the CWD shall consider the household to have made a timely application for recertification.

.614 Any household receiving a notice of action informing them of the expiration of their certification period shall attend any interview scheduled by the CWD on or after the date the application is timely filed in order to retain ~~its~~ their right to uninterrupted benefits.

(a) The CWD may schedule the interview prior to the date the application is timely filed provided the household is not denied at that time for failing to appear for the interview.

(b) The CWD shall schedule the interview on or after the date the application was timely filed if the interview has not been previously scheduled, or the household has failed to appear for any interviews scheduled prior to this time and has requested another interview.

(c) If the household does not appear for any interview scheduled in accordance with this section, the CWD need not initiate any further action. (Continued)

.615 Repealed by Manual Letter No. FS-87-05, effective 7/1/87.

~~.616 A household which submits a timely application for recertification and meets all other processing steps in a timely manner shall receive uninterrupted benefits.~~

.617 CWD ~~action on~~ Action on ~~Applications for~~ Applications for ~~Recertification~~

The CWD shall provide uninterrupted benefits to any household determined eligible after the household timely files an application and attends an interview ~~in accordance with the requirements of Section 87304/814~~. The CWD shall provide uninterrupted benefits within the time standards listed below even if, to meet these standards, the CWD must provide an opportunity to participate outside the normal issuance system.

(a) Households ~~that were~~ provided a notice of action informing them of the expiration of their certification period at the time of certification and that have timely reapplied shall be notified of their eligibility or ineligibility and provided an opportunity to participate, if eligible, not later than 30 days after the date ~~the household had an~~ of their last opportunity to obtain its last allotment participate.

(b) For all other households that have met all required application procedures, the CWD shall approve or deny the application and notify the household ~~of the PPA 7771~~ of its determination by the end of the current certification period. ~~In addition, for~~ households determined eligible, the CWD shall provide an opportunity to participate by the household's normal issuance cycle in the month following the end of ~~its~~ their current certification period.

(Continued)

.6187 Failure to Submit a Timely Application for Recertification

Households ~~which~~ file an application for recertification after the ~~appropiate~~ dates specified in Sections 63-504.613/1/1/1/1, but by the end of the certification period, shall be considered to have made an untimely application for recertification.

.618 CWD Action on Untimely Applications for Recertification

(a) Any household shall lose ~~its~~ their right to uninterrupted benefits if ~~they~~ fails:

- (1) ~~To submit a timely application for recertification, unless the household is eligible for entitled to~~ expedited service and the application is filed at least three days prior to the next normal issuance date in the new certification period; or
- (2) ~~fails to appear for an interview as specified in Sections 63-504/613/1/1/1.~~

(b) ~~However, the household making an untimely application for recertification shall not be denied at that time, unless they refused to cooperate, or the certification period has lapsed and the CWD chooses to make denials at that time in accordance with Section 63-504/613/1/1.~~ If the household is otherwise eligible after correcting such failures, the CWD shall, at a minimum, provide benefits no later than 30 days after the date the application was filed.

(c) For applications received in the month following the expiration of the certification period, benefits shall be prorated as specified in Section 63-503.13. However, eligible households which who receive a notice of action informing them of the expiration of their certification period at the time of certification and which are otherwise eligible shall not have benefits for the first month of the new certification period prorated if they file their applications for recertification by the filing deadline specified in the notice of expiration.

(d) (Continued)

(e) (Continued)

.619 CWD Failure to Act

CWD failure to provide eligible households which filed a timely application for recertification and met all processing steps in a timely manner with an opportunity to participate in accordance with as specified in Section 63-504.6176, shall be considered an administrative error. These households shall be entitled to restoration of lost benefits if, as a result of such error, the household was unable to participate for the month following the expiration of the certification period.

.62 Process for Recertifying and CWD Action on Timely Reapplications for By Monthly Reporting Households

.621 The CA 7 shall be mailed to the household in accordance with at its the normal mailing time or along with the WEC in accordance with Section 63-504/231 notice of action informing them of the expiration of their certification period. Return of both the CA 7 and the application form is required to complete the recertification.

(a) The CA 7 shall be submitted and completed as to the CWD in accordance with the dates specified in Section 63-504.3. To complete the recertification, the CA 7 shall be completed in accordance with Section 63-504/321.
(Continued)

.623 PA and PA categorically eligible households that are jointly processed in accordance with as specified in Section 63-301.6 shall, to the extent possible, be recertified for Food Stamps at the same time that their PA eligibility is redetermined. Section 63-504/611 for PA categorically eligible households

(a) These households may be recertified in the month prior to the last month of the certification period in conjunction with the PA redetermination. except that The new certification period shall begin with the last month of the old certification period.

(b) If the recertification is not completed in ~~that~~ the month prior to the last month of the certification period, if the application shall be held pending and the household shall be provided a notice of action informing them of the expiration of their certification period in accordance with Section 63-504.751. The recertification shall be completed during the last month of the certification period. as specified in Sections 63-504.721, 1821, and 1823. When the recertification is completed in the month prior to the last month of the certification period, the new certification period shall begin with the last month of the old certification period.

.624 Households that receive a notice of action informing them of the expiration of their certification period shall be subject to the verification requirements specified in Section 63-504.3 for information provided on the CA 7. but These households shall not be subject to the other CA 7 processing provisions contained specified in Section 504.3 in the last month of the certification period. since The recertification provisions specified in Section 63-504.6 are in effect in this month.

(a) PA households whose recertifications are completed in the month prior to the last month of the certification period shall be subject to all provisions of Section 63-504.3 in that month, except that they shall be provided a PA 377/1 notice of action informing them of the approval or denial of their reapplication, instead of a PA 377/4 notice as specified in Section 63-504.26.

(b) In addition/ All changes reported on the application shall be subject to the same verification procedures as apply at initial certification, including categorically eligible households, as specified in Sections 63-301.71, .72, and .82.

Authority Cited: Sections 10554, 11265.1, and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2/; 7 CFR 273.2(j)(3) and (4)/; 7 CFR 273.8(b)/; 7 CFR 273.10(g)(1)(i) and (ii); 7 CFR 273.13(a)(2); 7 CFR 273.14(b)(3); 7 CFR 273.21(h)(3)(ii)/; 7 CFR 273.21(j)/; 7 CFR 273.21(j)(1)(vi)/; 7 CFR 273.21(j)(2)(iii) and (3)(ii); and 7 CFR 274.10; and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-505 To Read:

63-505 HOUSEHOLD RESPONSIBILITIES (Continued)

63-505

.114 Obtain a photo identification ID card in counties where photo ID cards are mandated as a condition of participation, unless exempt under Section 63-504.87. (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 273.2(j)(3) and (4); 7 CFR 273.11(a)(92)(iii); 7 CFR 273.12; 7 CFR 273.3(d); and 7 CFR 273.21(b); and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-601 To Read:

63-601 COUNTY WELFARE DEPARTMENT RESPONSIBILITIES (Continued)

63-601

.262 (Continued)

(b) (Continued)

(4) Reporting requirements - The final ~~Food~~ ~~Availability~~ ~~Report~~ (FNS-250) which is submitted by the agent to the CWD shall show the transfer of all inventory and a zero ending inventory. Proper documentation of coupon transfer FNS-300 or its USPS equivalent shall accompany the FNS-250. The CWD, upon receipt of the final FNS-250, shall verify the accuracy of the report and transmit it to FNS with a copy to CDSS. (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 274.1; 7 CFR 274.2; and 7 CFR 274.7; and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-602 To Read:

63-602 ISSUANCE SYSTEMS (Continued)

63-602

.21 Master Issuance File

.212 The master issuance file shall be kept current and accurate. *It shall be updated and maintained through the use of documents such as notices of change and controls for expired certification periods.* (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 274.2/; 7 CFR 274.3/; and 7 CFR 274.10; and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Sections 63-603 To Read:

63-603 REPLACEMENT ISSUANCES

63-603

.1 Providing Replacement Issuances (Continued)

.15 Household Reporting Responsibilities

The following allowable replacement issuances or authorizations shall be provided only if a household timely reports a loss orally or in writing and provides an affidavit DFA 303 as specified in Section 63-603.3. In the following systems replacement requests shall be considered timely: (Continued)

.3 Household Affidavit of Nonreceipt (DFA 303)

Prior to issuing a replacement, the CWD shall obtain from a member of the household a signed Replacement Affidavit/Authorization DFA 303 10/98 attesting to the household's loss.

.31 This affidavit The DFA 303 shall not be required if:

- .311 The original authorization document or allotment has been returned to the CWD at the time of the request; or
- .312 The original authorization document or coupons were improperly manufactured or mutilated.

.32 The affidavit The DFA 303 may be mailed to the household and/or back to the CWD if the household member is unable to come into the office because of age, disability or distance from the office and is unable to appoint an authorized representative.

.33 The CWD shall provide the affidavit DFA 303 to the household for signature immediately after the loss is reported. The signed affidavit DFA 303 shall be received by the CWD within 10 days of the date of the report or no replacement shall be made. If the 10th day falls on a weekend or holiday, and the affidavit DFA 303 is received the day after the weekend or holiday, the affidavit DFA 303 shall be considered timely.

.34 The affidavit DFA 303 shall be retained in the case record.

.4 CWD Responsibilities

.41 (Continued)

.411 CWDs shall provide replacement issuances or authorizations, as appropriate, or send a DFA 377.4 (Rev. 12/83) denying or delaying the replacement to households within 10 days after the report of nondelivery or loss (15 days if the issuance was made by certified or registered mail) or within two (2) working days of receiving the signed affidavit DFA 303, whichever date is later. (Continued)

.5 Replacing Issuances Lost in the Mail or Stolen Prior to Receipt (Continued)

.512 Determine, to the extent possible, the validity of the request for a replacement issuance or authorization. This includes determining the following:

- (a) Whether the initial issuance has been returned to the CWD; or
- (b) In an authorization document system, whether the initial authorization document has been transacted. If so, whether the recipient's signature on the authorization document matches the signature on the recipient's ID card or Household affidavit DFA 303; or (Continued)

.6 Replacing Issuances After Receipt (Continued)

.631 (Continued)

- (a) Complete an Affidavit of Return of Exchange of Food Coupons (FNS-135 8/83); and (Continued)

.7 Documentation and Reconciliation of Replacements (Continued)

HANDBOOK BEGINS HERE

.712 The case file documentation may be recorded exclusively on the Household's affidavit of nonreceipt DFA 303.

HANDBOOK ENDS HERE (Continued)

.8 Further Action on Replacement Issuances (Continued)

.81 (Continued)

.811 CWDs shall assist the Postal Service during any investigation and shall, upon request, supply the Postal Service with facsimiles of originally transacted or replacement authorization documents or other issuance records, and a copy of the affidavit of nonreceipt DFA 303. (Continued)

.82 (Continued)

.821 Compare the handwriting on the authorization documents or transaction receipts or other issuance records to documents

contained in the household's case file, including the ~~affidavit~~
~~of nonreceipt~~ DFA 303; (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 274.3; and 7 CFR 274.6; and Sections 10554 and 18904,
Welfare and Institutions Code.

Amend And Rerumber Sections 63-701 To Read:

63-701 COUPON ORDERING DISTRIBUTION AND INVENTORY MANAGEMENT

63-701

.1 (Continued)

.12 The CWD shall establish an accounting system for monitoring the inventory activities of coupon issuers. The CWD shall review the ~~FNS~~ FNS-250 from coupon issuers and bulk storage points, to determine the propriety and reasonableness of the inventories.

.13 (Continued)

.131 ~~Advice of Shipment~~ (FNS-261);
.132 ~~Advice of Transfer~~ (FNS-300);
.133 ~~Mail issuance Log~~ (DFA-300);
.134 ~~Replacement of Mail-issued Coupons~~ (FNS-259);
.135 ~~Coupon Reissuance and Distribution Report~~ (FNS-471);
136 Coupon Book Inventory Record (DFA 292)

.2 (Continued)

.3 Coupon Requisitions

.31 The CWD shall arrange for the ordering of coupons on the ~~Requisition~~ ~~for Food Coupon Books~~ (FNS-260 1/82) and the prompt verification and written acceptance of the contents of each coupon shipment.

(Continued)

.311 The CWD shall furnish the appropriate delivery hours and the names of the persons authorized to sign delivery acknowledgements by:

(a) Completing the ~~Requisition~~ ~~for Food Coupon Books~~ (FNS-260 1/82) and/or (Continued)

.33 Coupon Ordering, Reordering and Inventory

.331 The initial order shall be by letter or on ~~Requisition~~ ~~for food~~ ~~Coupon Books~~ (the FNS-260) furnished by FNS. The order should be for an estimated six-month supply.

132 The CWD shall indicate the type of books, number of books, and resultant number of coupons desired. In addition, it should be clearly indicated in the 'Remarks' section whether there will be any holidays over the two-month period following the requisition date on which shipping points will be closed and informed that deliveries will not be accepted. Contract issuance agents shall complete the form, but the first five by parts original plus

four copies shall be forwarded to the CWD for approval; the agent retains copy five. After the CWD approves the required requisition, it shall forward the original and the remaining three copies of the FNS 260 to FNS in San Francisco and retain copy four.

HANDBOOK BEGINS HERE

- (a) The order should be for an estimated six-month supply.
- (b) The type and number of books and the resultant number of cartons ordered should be indicated on the FNS-260. It also should be clearly indicated if there will be any holidays over the two-month period following the requisition date on which shipping points will be closed and armored car deliveries will not be accepted.

HANDBOOK ENDS HERE

.3372 CWDs shall maintain a three to six month's supply of coupons on hand. Therefore, to prevent shortages when a three-month inventory, or less, is reached, CWDs may requisition another six month's supply. In keeping with FNS's system of monthly cycling of coupon requisitions, CWDs shall prepare and transmit their requisitions to the FNS regional office to be received during the week of the third Monday of the month. Requisitions received by FNS earlier in the month will not be processed until the week of the third Monday of the month. The coupon supply should be received via armored car approximately six weeks from the cycling date. Exception, CWDs placing orders of ten cartons or less may receive deliveries by mail.

HANDBOOK BEGINS HERE

- (a) To prevent shortages when a three-month inventory, or less, is reached, CWDs may requisition another six month's supply.
- (b) To coincide with FNS's system of monthly cycling of coupon requisitions, CWDs are advised to prepare and transmit their FNS-260s to be received by FNS during the week containing the third Monday of the month. FNS-260s received by FNS earlier in the month will not be processed until that week.
- (c) The coupon supply should be received via armored car approximately six weeks from the cycling date. CWDs placing orders of ten cartons or less may receive deliveries by mail.

HANDBOOK ENDS HERE

.3343 CWDs shall ~~ensure that inventories are appropriate by~~ maintaining a perpetual inventory of monthly issuance, inventory on hand, and inventory on order. CWD responsibility for inventory control is ~~not~~ specified in Section 63-701.1.

HANDBOOK BEGINS HERE

.3344 (Continued)

HANDBOOK ENDS HERE

.4 Coupon Shipment

.41 FNS Shipment of Coupons

HANDBOOK BEGINS HERE

CWDs shall receive coupons from FNS in such denominations as FNS may determine necessary. Coupons shall be shipped directly to the CWD designated receiving points approved by FNS. CWDs shall be advised promptly by FNS using an ~~Advice of Shipment (Form 261)~~ (FNS-261 11/78) when coupons are shipped to receiving points.

HANDBOOK ENDS HERE (Continued)

.6 Coupon Transfer (Continued)

.62 Transfer Procedures (Continued)

.621 (Continued)

(b) The sending CWD shall initiate the ~~Advice of Transfer Form~~ FNS-300. This form shall accompany the coupons to the receiving CWD. (Continued)

(d) The receiving CWD shall attach the FNS-300 to the FNS-250 ~~copy~~ for the month in which the transfer was accomplished as supporting documentation for submission to FNS.

.622 Responsibilities of CWDs

(a) CWDs shall arrange for coupon transfers. ~~CDSS staff will assist only in those cases where a statewide shortage exists.~~

HANDBOOK BEGINS HERE

(a) CDSS staff will assist only in those cases where a statewide shortage exists.

HANDBOOK ENDS HERE

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 274.7 and Sections 10554 and 18904, Welfare and Institutions Code.

Amend And Rerumber Section 63-702 To Read:

63-702 ISSUANCE AGENCY AND BULK STORAGE POINT RESPONSIBILITIES (Continued) 63-702

.111 Receipt of Coupons

(a) Shipments shall be verified and received only by those persons so authorized on the ~~Requisition for Food Coupon Books~~ (FNS-260 1/82) or the ~~File Update + Food Coupon Shipping Point~~ (FNS-33 4/78). (Continued)

.112 Change in Designated Receiving Agents

(a) The CWD shall submit the ~~Form~~ FNS-33 to ~~\$000~~ CDSS whenever the name of the person authorized to receive shipments is changed or when the location where books are to be sent is changed.

.12 Shipment Verification

HANDBOOK BEGINS HERE

.121 ~~Form~~ The FNS-261 will be received just prior to, or approximately at the same time as, the shipment of food coupons. This form is a notice that food coupons previously requisitioned can be expected shortly.

HANDBOOK ENDS HERE

.122 The shipping point or receiving agent shall accept ~~and receive~~ coupon shipments ~~in the~~ as follows ~~and manner~~:

(a) A person ~~of~~ person(s) authorized to accept ~~and receive~~ coupons shall verify that the number and type of each denomination being delivered agrees with those listed on the registered mail receipt and ~~Form~~ the FNS-261 before accepting them. ~~See Handbook 63-702/1 regarding verifying shipments!~~

(b) If there is no discrepancy between the number and type of each denomination delivered and the entries on the registered mail receipt, then ~~Form~~ the FNS-261 shall be signed, dated and attached to ~~Form~~ the FNS-250.

(c) If there is a discrepancy between the number and type of each denomination being delivered and the entries on ~~Form~~ the FNS-261 and/or the registered mail receipt, the person ~~of~~ person(s) so authorized shall make the appropriate pen and ink changes to the documents(s) containing the discrepancy so that they agree with the number and type of each denomination of coupons actually received. After these changes have been made, the agent shall sign, ~~and~~ date ~~Form~~ and attach the FNS-261 to the FNS-250/ ~~and follow~~ the procedure in 122(b) above for disposition.

(d) If ~~Form~~ the FNS-261 is not received within three days following receipt of the coupons, the receiving agent shall prepare a letter, which must and be attached it to ~~Form~~ the FNS-250, and sent to the FMS stating.

(1) The letter shall state that this letter is being submitted in lieu of Form the FNS-261, which was not received. It shall include (2) the number and type of each denomination of coupons that were received and (3) the date the coupons were received of receipt.

HANDBOOK BEGINS HERE

(2) If the FNS-261 is received after the letter has been mailed, the FNS-261 may be discarded.

HANDBOOK ENDS HERE

(e) If Form FNS 261 is not received within three days following receipt of the coupons, and a discrepancy is noted between the number and type of each denomination of coupons delivered and the entries on the registered mail receipt, the procedures outlined in Sections 83702/122(d) and (d) shall be followed.

(f) If Form FNS 261 is received after the letter described in Section 83702/122(d) has been mailed, then Form FNS 261 may be discarded.

(g) Before use, each carton and box shall be examined according to the instructions on the respective labels.

.2 Reporting of Shortages/Overages Improperly Manufactured or Mutilated Coupons or Coupon Books Found Prior to Issuance

.21 When a shortage or overage of coupons or coupon books is discovered, the agent shall, 1/211 complete Form the FNS-471, coupon account and destruction report, noting the number, type, condition of all the coupons of coupon books, and the serial numbers of all the coupons and coupon books involved including the prefix, suffix, and year of the series. Any other facts relevant to the situation should be included in the "Remarks" section. This form shall be and have it signed by two witnesses.

HANDBOOK BEGINS HERE

.211 The number, type, condition of all the coupons or coupon books and the serial numbers of all the coupons and coupon books involved (including the prefix, suffix and year of the series) should be noted on the FNS-471. Any other relevant facts should be included in the "Remarks" section.

.2112 In the case of a shortage, note the discrepancy on Form FNS-250 in accordance with the form instructions. In the case of an overage, note the additional books on Form FNS-250 as shipments received from FNSY line 9Y.

.2113 Form FNS-471 shall be attached to the Form FNS-250 and distributed in accordance with instructions on the reverse side of Form FNS-471.

.212 Any shortages or overages should be noted on the FNS-250.

.213 The FNS-471 should be attached to the FNS-250.

HANDBOOK ENDS HERE

.22 Improperly Manufactured or Mutilated Coupons or Coupon Books

.221 When improperly manufactured/ or mutilated loose coupon books are found, the agent shall:

- Immediately cancel all the coupons and coupon books involved/;
- Complete Form the FNS-471/ as stated in Section 63-702/211 above/;
- Enter the number of books that are improperly manufactured or mutilated on Form the FNS-250 as Overages by line 13Y/;
- Destroy the coupon books shall be destroyed as soon as possible in accordance with as specified in Section 63-701/4706.1/; and
- Distribute Form FNS-471/ as specified on Form FNS-471;
- Issue the remainder of the undamaged books.

.222 When an entire carton or box contains improperly manufactured or mutilated coupon books, the agent shall:

- Store the coupon books in a secure place/;
- Complete Form the FNS-471/ as stated in Section 63-702/211 above/;
- Distribute Form FNS-471/ as stated in Section 63-702/211 above/;
- Request instructions for disposition of the coupon books from FNS/; and
- Where possible, issue the undamaged coupon books.

.23 (Continued)

.3 (Continued)

.4 Shipments Received and Transferred

.41 CWDs shall report coupons received and/or transferred in the month such receipts or transfers are actually accomplished. The agent originating a coupon transfer shall identify the receiving agent in the Transfer Summary portion of on the Form FNS-250 and keep a received copy of the Advice of Transfer Form FNS-300 ~~in the Section 63-701.3~~.

HANDBOOK BEGINS HERE

.42 Sections 63-701.34 and .4, 702.12, and ~~Handbook Section 1102.3~~ fully describe the process of ordering, verifying and providing receipts for coupon shipments from Food and Nutrition Service FNS. To enable CWDs to verify the data reported on the FNS-250, ~~Section 63-701.3~~ requires the CWDs contracted issuance agents are required to send the CWD a copy of the Form FNS-261, Advice of Shipment, to the CWD as specified in Section 63-702.6.

~~This will enable CWDs to verify the data reported on the FNS 250 report.~~

HANDBOOK ENDS HERE

.5 Inventory Accountability

CWDs shall maintain records of accountability for coupon books. Contracted agents may be delegated this responsibility. Such delegation will shall not, however, relieve or discharge the CWDs of liability for coupon books.

.51 CWD's accountability records shall show the serial numbers and number of books received, the serial numbers and number of books distributed to other offices for issuance (or the number issued), and the balance of books on hand. Form DPA 292, ~~Coupon Book Inventory Record~~, of ~~approved~~ substitute shall be used for this purpose! See Section 63-700.1

.512 The office supervisor shall maintain the Form DPA 292, of ~~approved~~ substitute! The person responsible for CWD storage shall provide a receipt for the supervisor's use in making entries on coupon book inventory records.

1511 The left side of this form shows receipt of books, usually from the county treasurer!

1512 The right side of the form is for disbursements made to the cashiers! The supervisor should have the cashier initial in the appropriate space! The initialing is for the supervisor's protection!

.523 The responsible person shall assure that a running inventory of all unissued stamps in the CWD is maintained.

.6 Coupon Accountability to FNS

.61 Each coupon issuers and bulk storage points shall report monthly to the CWD using the ~~Form~~ FNS-250 and supporting documents. These reports shall be signed by the coupon issuer or appropriate corporate official, certifying that the information is true and correct to the best of that person's knowledge and belief. All copies of the FNS-250 shall have original signatures.

.62 The ~~Form~~ Coupon Accountability Report (FNS-250) shall be prepared after the close of each issuance month and submitted to FNS by the CWD.

.621 Each issuing unit shall prepare a ~~Form~~ FNS-250 which the CWD shall consolidate into a single report if the CWD is self-issuing.

.622 If the CWD contracts for issuance, a separate FNS-250 shall be required for each reporting point.

.623 CWDs are not responsible for submitting a consolidated ~~Form~~ FNS-250 ~~report~~ for all their contracted issuance agents. However, the CWD shall submit all FNS-250s for the CWD and/or its agents. CWDs are responsible for reconciling any differences between their records and those of the issuance agents.

.63 Supporting Documentation

Supporting documentation shall be submitted which will allow for verification of the FNS-250 ~~10/78~~.

.631 Documentation shall include, but is not limited to, documents supporting coupon shipments, transfers and issuances.

.632 In CWDs using an authorization document issuance system, coupon issuers shall submit transacted authorization documents batched according to each day's activity, in accordance with the schedule prescribed by the CWD, but, in any case, not less often than monthly ~~1st 7th 14th 21st 28th~~.

.64 Mail Issuance Activity

All mail issuance activity, including the value of mail issuance replacements, shall be reported on the ~~Form~~ Coupon Availability Report (FNS-250 ~~10/78~~). When the initial allotment (first benefits issued for a particular month to an ongoing household) is returned to inventory as specified in Section 63-706.31 and the replacement issuance is also issued during the month in which the initial benefits were issued, the replacement shall not be reported.

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2; 7 CFR 274.4; 7 CFR 274.7; and 7 CFR 274.8; and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-703 To Read:

63-703 RECONCILIATION (Continued)

63-703

.2 Record for Issuance (Continued)

.212 The record-for-issuance shall then be compared with the master issuance file and findings from this comparison reported on the ~~Issuance Reconciliation Report (FNS-46 §/§9)~~ as specified in Section 63-704.15.

.22 In issuance systems where no record-for-issuance is used, issuances made during each month shall be reconciled to the master issuance file and findings from this reconciliation reported on the ~~Issuance Reconciliation Report (FNS-46) §/§9~~ as specified in Section 63-704.15.
(Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 274.4 and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Sections 63-704 To Read:

63-704 COUNTY WELFARE DEPARTMENT AND CONTRACTED ISSUANCE AGENTS
REPORTING RESPONSIBILITIES

63-704

.1 Reporting Requirements (Continued)

.112 Changes in bulk storage reporting and coupon shipment receiving points may be reported on the ~~File Update + Food Coupon Shipping Point~~ (FNS-33 4/78).

.12 The CWD shall assign a due date for the submittal of ~~Form~~ the FNS-250 ~~1/10/78~~ by the coupon issuers and bulk storage points to the CWD. The CWD shall review FNS-250s for accuracy, completeness and reasonableness. The CWD shall attest to the accuracy of these reports and submit them to FNS and SDSS so that they will be received by the 45th day following the end of the report month. Any revisions to the ~~Form~~ FNS-250 for a given month shall be submitted to FNS within 105 days after the end of the report month. See Section 63-702.62 for preparation instructions on the FNS-250.

.13 The CWD shall complete the ~~Form~~ FNS-259/ ~~Food Stamp Mail Issuance Report~~ for each project area issuing coupons through a regular mail issuance or direct mail issuance system. The CWD shall verify the issuance by comparison with the issuance on the appropriate coupon issuer's ~~Form~~ FNS-250. The FNS-259 shall be submitted to FNS and SDSS so that it will be received by the 45th day following the end of each quarter.

HANDBOOK BEGINS HERE

.14 FNS will review each ~~Form~~ FNS-250 submitted through the CWD for completeness, accuracy, and reasonableness and shall reconcile inventory with shipping records. FNS will review CWD verification of coupon issuer and bulk storage point monthly reports. FNS may supplement this review by unannounced spot checks of inventory levels and coupon security arrangements at selected coupon issuers and bulk storage points.

HANDBOOK ENDS HERE

.15 The CWD shall submit the ~~Issuance Reconciliation Report Form~~ (FNS-46 8/89) to FNS and SDSS CDSS. The report shall be prepared at the level of the CWD where the actual reconciliation of the record-for-issuance and master issuance file occurs. (Continued)

.16 The CWD shall prepare and submit to FNS a ~~Form~~ DFA 256/ ~~Monthly Report of Participation and Coupon Issuance~~. This report shall be submitted to FNS so that it will be received in FNS by the 45th day following the report month. ~~Form~~ DFA 256 shall be prepared in accordance with Instructions on the form. (Continued)

- .17 The CWD is responsible for shall preparing Form the DFA 358/ Food Stamp Program Participants by Ethnic Group/ from the same source documents as the Form DFA 256/ The CWD and shall submit the DFA 358 to SPS CDSS no later than 45 days after July 31 each year.
- .18 The CWD is responsible for shall preparing and submit the DFA 296/ Monthly Caseload Movement Statistical Report/ The CWD shall submit the DFA 296 to SPS CDSS on or before the 20th day of the month following the report month.
- .19 The CWD is responsible for shall preparing and submit the DFA 296X/ Food Stamp Program Expedited Service Quarterly Statistical Report/ The CWD shall submit the DFA 296X to SPS CDSS on or before the 20th day of the month after the end of each calendar quarter.

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2/; 7 CFR 271.7/; 7 CFR 274.1/; and 7 CFR 274.4; and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-705 To Read:

63-705 ISSUANCE RECORD RETENTION AND SECURITY

63-705

.1 Availability of Issuance Records (Continued)

.12 Issuance records shall include, at a minimum:

- (a) Notices of Action (DFA 377/1 + 19);
- (b) ~~MR cards~~ The DFA 286;
- (c) ~~Inventory records (DFA 292)~~;
- (d) Transacted authorizing documents;
- (e) ~~Officer's Daily Report~~ The FNS-250 and substantiating documents;
- (f) ~~Receptionist's Daily Tally Sheets (The DFA 289)~~; (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2/; 7 CFR 271.7/; 7 CFR 274.1/; and 7 CFR 274.11; and Sections 10554 and 18904, Welfare and Institutions Code.

Amend And Rerumber Section 63-706 To Read:

63-706 HANDLING AND/OR DESTRUCTION OF UNUSABLE, UNDELIVERABLE OR
RETURNED COUPONS, AUTHORIZATION DOCUMENTS AND ACCESS DEVICES

63-706

.1 Unusable Coupons (Continued)

.13 The CWD shall destroy the coupons and coupon books by burning, shredding, tearing or cutting so they are not negotiable. Two CWD designated employees shall witness and certify the destruction information as follows:

.131 The destruction of improperly manufactured, mutilated or exchanged coupons shall be reported on the ~~Food Coupon~~ ~~and~~ ~~Postponed Report Form~~ (FNS-471 4/88) and submitted with the ~~Food Coupon Accountability Report Form~~ (FNS-250 10/78) for the appropriate month. For coupons received from recipients, ~~an~~ ~~Affidavit of Return or Exchange of Food Coupons Form~~ (FNS-135 8/88) shall be completed and retained by the CWD as documentation with the ~~Form~~ FNS-471.

.132 The destruction of coupons received from claims collection points that are the result of the payment of household claims shall be reported on ~~Form~~ the FNS-471 and submitted with the ~~Status of Claims Against Household Form~~ (FNS-209 8/88). A ~~Form~~ FNS-135 shall be completed and retained at the CWD for future audit purposes. A CWD may consolidate its monthly FNS-471 for claims collection destruction reporting by providing one form which reflects the total claims destruction figure for the month. If the CWD chooses to do this they shall also:

- (a) Attach a breakdown which reports the required FNS-471 information for each reporting point; and
- (b) Retain all individual FNS-471s for future review and audit purposes. (Continued)

.3 Undeliverable or Returned Coupons, Authorization Documents and Access Devices

The CWD shall exercise the following security and controls for authorization documents, access devices and coupons that are undeliverable or returned during the valid issuance period. ~~Forms~~ The FNS-471 and FNS-135 shall be completed by the CWD, as appropriate.

.31 Coupons which are in book form, complete with original and unsigned covers, shall be returned to inventory and noted as such on the issuance log and the FNS-250. (Continued)

.4 Exchange of Old Series Food Coupons for New Series Coupons

.42 (Continued)

.421 Exchange Performed by CWDs

- (a) When a recipient requests an exchange, the ~~appropriate~~ ~~CWD~~ shall determine the validity of the claim. In this determination, the ~~CWD~~ may by considering the previous eligibility status of the claimant, the possibility that excessive amounts (over \$100) of food coupons are offered for exchange, and the authenticity of the submitted food coupons.
- (b) If satisfied that the request for exchange is valid, the ~~CWD~~ shall complete ~~from~~ the FNS-135/ ~~Certificate of Exchange of Food Coupons (see Chapter 871200)~~. Care should be exercised to insure that the claimant signs the original and both copies ~~from~~ of ~~the~~ FNS-135. The original of this form shall be used for accounting purposes, one copy shall be given to the claimant, and one copy shall be retained at the exchange office.

HANDBOOK BEGINS HERE

- (1) Care should be exercised to insure that the claimant signs the original and both copies of the FNS-135.

HANDBOOK ENDS HERE

- (c) After the transaction is completed, all loose new series food coupons resulting from the exchange and all old series coupons shall be cancelled immediately and destroyed as soon as possible. Destruction shall be accomplished by burning, shredding, tearing or cutting food coupons sufficiently to make them nonnegotiable. At the time of each destruction, ~~from~~ the FNS-471/ ~~Certification of Destruction of Exchanged Food Coupons (see Chapter 871200)~~ shall be completed.
- (d) A consolidated ~~from~~ FNS-471 shall be completed and attached to the original and duplicate of ~~from~~ the FNS-250/ ~~Food Stamp Accountability Report~~ at the end of each monthly reporting period. The consolidated ~~from~~ FNS-471 must be signed by the same official who signs ~~from~~ the FNS-250. One copy of the consolidated form shall be retained for audit purposes.
- (e) ~~from~~ FNS-250 ~~Line 11~~ shall reflect the number of new series food coupon books given in exchange. New food coupons destroyed shall be reported under Remarks on ~~the~~ form. The number of new series food coupon books given in exchange or destroyed shall be reported on the FNS-250.

.422 Exchange Performed by the Food and Nutrition Service FNS

- (a) The CWD shall determine the validity of the claim as specified ~~above~~ in Section 63-706.421(a).
- (b) If satisfied that the request for exchange is valid, the CWD shall complete ~~Form~~ the FNS-135. Care should be exercised to insure that the claimant signs the original and both copies ~~litter~~ of Form FNS-135. The original of this form shall be submitted to the Food and Nutrition Service at the address provided below, one copy shall be given to the claimant, and one copy shall be retained at the CWD.

HANDBOOK BEGINS HERE

- (1) Care should be exercised to insure that the claimant signs the original and both copies of the FNS-135.

HANDBOOK ENDS HERE

- (c) All old series food coupons submitted for exchange shall be cancelled immediately and destroyed as soon as possible. Destruction shall be accomplished by burning, shredding, tearing/ or cutting food coupons sufficiently to make them nonnegotiable. At the time of each destruction, ~~Form~~ the FNS-471 shall be completed.
- (d) Supply the original of Form FNS-135 to the
Director, Food Stamp Division
ATTN: Financial Management Branch
Food and Nutrition Service, USDA
P.O. Box 23833, Lyndon Plaza Station
Washington, DC 20024
- (e) FNS will forward new series food coupons directly to the claimant and will advise the requesting office accordingly.

HANDBOOK BEGINS HERE

- (d) FNS will forward new series food coupons directly to the claimant and advise the requesting office accordingly.

HANDBOOK ENDS HERE

- (e) The CWD shall make direct inquiry to ~~the~~ FNS Food Stamp Division (~~see address above~~), if after 60 days the claimant reports that the exchange has not been received.

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 274.7, and FNS waiver exemption letter to Linda S. McMahon, Director, SPSS CDSS dated October 23, 1989, and Sections 10554 and 18904, Welfare and Institutions Code.

Amend And Renumber Section 63-801 To Read:

63-801 CLAIMS AGAINST HOUSEHOLDS

63-801

.1 (Continued)

.11 Time Frame for Establishing Inadvertent Household Error, Administrative Error, and Intentional Program Violation Claims (Continued)

.111 ~~When the criteria in Section 63-801.11 have been met, (b) The CWD shall take action on inadvertent household and administrative error claims for which up to less than three years have elapsed between the month the overissuance occurred and the month the CWD determined by computation that an overissuance occurred, irrespective of the date the Claim Determination Worksheet, Form DFA 842/ was completed.~~

~~(b) .112~~ The CWD shall not take action on inadvertent household and administrative error claims for which more than three years have elapsed between the month the overissuance occurred and the month the CWD determined by computation that the overissuance occurred, irrespective of the date the Claim Determination Worksheet, Form DFA 842/ was completed.

.12 (Continued)

.13 Claims Against Alien Households and Sponsors of Alien Households (Continued)

.132 If the CWD determines that the sponsor did not have good cause, or was at fault, ~~in accordance with as specified in~~ Section 63-801.413, the CWD shall ~~decide whether to~~ establish a claim for the overissuance against either the sponsor or the sponsored alien's household, or both. The CWD either shall ~~choose to~~ establish claims against both parties at the same time or ~~to~~ establish a claim against the party it deems most likely to repay first.

(a) If a claim is established against the sponsor first, the CWD shall ensure that a claim is established against the household whenever the sponsor fails to respond ~~to the CWD's Repayment Notice (DFA 377/7B)~~ within 30 days of receipt to the notice of action requesting repayment.

(b) The CWD shall return to the sponsor and/or the household any amounts repaid in excess of the total amount of the claim Claim Determination Worksheet/ as determined on the DFA 842/. (Continued)

.4 Collecting Claims Against Households and Sponsors of Alien Households (Continued)

.43 Initiating Collection on Claims

.431 CWDs shall initiate collection action by providing the household or the sponsor of an alien household ~~with a Repayment Notice (PFA 377/7B) of action requesting repayment which informs~~ provides the household or its sponsor of the following information/:

- (a) The amount owed, the reason for the claim, the period of time the claim covers, any offsetting that was done to reduce the claim, how the household or its sponsor may pay the claim, and the household's or the sponsor's right to a state hearing if the household or the sponsor disagrees with the amount of the claim.
- (b) ~~Additionally, the notice shall state that if~~ the household ~~has~~ already has had a state hearing on the amount of the claim as a result of consolidation of the administrative disqualification hearing with the state hearing, the household ~~has~~ shall be advised that they have no right to another state hearing on the amount of the claim.
- (c) If there is an individual or organization ~~available~~ that will provide free legal representation, the ~~PFA 377/7B~~ household shall also be advised ~~the Household~~ of the availability of these services.
- (d) For inadvertent household error and intentional Program violation claims, the household, or the sponsor shall also be informed of the length of time the household has to decide which method of repayment it will choose and inform the CWD of its decision, and of the fact that the household's allotment will be reduced if the household fails to agree to make restitution.
- (e) For administrative error claims, the household shall also be informed of the availability of allotment reduction as a method of repayment if the household prefers to use this method.
- (f) ~~In addition, any~~ household or sponsor against which the CWD has initiated collection action shall be informed of their right to request renegotiation of any repayment schedule to which the household or the sponsor has agreed should the economic circumstances of the household or the sponsor undergo a change.
 - (1) A change in economic circumstances shall include, but not be limited to, changes in income, resources, or expenses. A change in household allotment shall not constitute a change in economic circumstances.

HANDBOOK BEGINS HERE

(g) The recommended CDSS developed forms to use for requesting repayment of claim determinations are the DFA 377.7B, the DFA 377.7D, and the DFA 377.7F.

HANDBOOK ENDS HERE

.432 (Continued)

.44 Action Against Households and Sponsors of Alien Households Who Fail to Respond

.441 The CWD shall reduce the household's ~~Food Stamp allotment~~ benefits without further notice, ~~in accordance with~~ as specified in Section 63-801.73, when: (Continued)

(c) The household does not respond to the ~~DFA 377/7B notice of action requesting repayment~~ within 30 days of the date the notice is mailed.

.442 If any nonparticipating or participating household against whom collection action has been initiated for repayment of an administrative error claim does not respond to the first ~~DFA 377/7B notice of action requesting repayment~~, additional ~~repayment~~ notices shall be sent at reasonable intervals, such as 30 days, until:

(a) ~~If the household or the sponsor has responded by paying or agreeing to pay the claim /Repayment Agreement/ DFA 377/7C;~~

(b) ~~until the criteria for suspending collection action, specified in Section 63-801.5, have been met; or~~

(c) ~~until the CWD initiates other collection actions.~~

.443 (Continued)

.72 Installments

.721 (Continued)

.722 If the household or the sponsor fails to make a payment in accordance with the established repayment schedule (either a lesser amount or no payment), the CWD shall ~~send~~ notify the household or the sponsor a ~~DFA 377/7B explaining~~ that no payment or an insufficient payment was received.

(a) The notice of action requesting repayment shall inform the household or the sponsor that:

(1) ~~If~~ They may contact the CWD to discuss renegotiation of the payment schedule; and

(2) ~~The notice shall also inform the household that unless the overdue payments are made or the CWD is contacted to discuss renegotiation of the payment schedule, the allotment benefits of a currently participating household against which an inadvertent household error or intentional Program violation claim has been established will be reduced without a further notice and in accordance with procedures as specified in Section 63-801.73.~~

(ab) If the household, or the sponsor responds to the notice of action requesting repayment, the CWD shall take one of the following actions as appropriate:

(1) (Continued)

(2) If the household or the sponsor requests renegotiation, and if the CWD concurs with the request, negotiate a new payment schedule ~~¶¶¶ 377/7¢~~;

(3) If the household or the sponsor requests renegotiation of the amount or its repayment schedule, but the economic circumstances have not changed enough as defined specified in Section 63-801.431 (e) (1) to warrant the requested settlement, the CWD may continue renegotiation until a settlement can be reached. The CWD may invoke allotment reduction against a currently participating household for repayment of an intentional Program violation claim if a settlement cannot be reached.

(bc) (Continued)

.723 (Continued)

.73 Reduction in Food Stamp Allotments (Continued)

.733 Prior to reduction, the CWD shall ~~not~~ send the household a DFA 377.7C, a DFA 377.7E, or a DFA 377.7G informing them of the appropriate formula provided specified in Section 63-801.73~~§7~~, for determining the amount of food stamps to be recovered each month and the effect of that formula on the household's allotment (i.e., the amount of food stamps the CWD expects will be recovered each month), and of the availability of other methods of repayment ~~(¶¶¶ 377/7¢)~~.

.734 If the household requests to make a lump sum cash and/or food stamp coupon payment as full or partial payment of the claim, the CWD shall accept this method of payment. The CWD shall reduce the household's allotment in accordance with as specified in Section 63-801.73~~§7~~, to recover any amounts of an inadvertent household error or intentional Program violation claim not repaid through a lump sum cash and/or food stamp coupon payment, unless a payment schedule has been negotiated with the household.

(Continued)

.8 Submission of Payments (Continued)

.82 Each CWD shall submit, for each calendar quarter, a completed form ~~PAF~~ FNS-209/ Status of Claims Against Household.

.821 A completed ~~PAF~~ FNS-209 is due no later than 30 days after the end of each calendar year quarter and shall be submitted to SDSS even if the CWD has not collected any payments. Failure to submit the ~~PAF~~ FNS-209 to SDSS in a timely manner or in a fully completed format may result in a temporary suspension of a portion of the CWD's advance.

.822 In addition to reporting the amount of funds recovered from inadvertent household error, intentional Program violation/ and administrative error claims each quarter on ~~PAF~~ the FNS-209, the CWD shall also report these amounts on other documents as required by SDSS regulations. (Continued)

.84 If a household has overpaid a claim, the CWD shall pay the household any amounts overpaid as soon as administratively possible but not later than 10 days after the overpayment becomes known.

.841 The household shall be paid in cash for overpayments by cash or coupons as the CWD deems appropriate considering the household's circumstances.

.842 Overpaid amounts of a claim, which have previously been reported as collections on a prior ~~PAF~~ FNS-209 and which have been repaid to the household, shall be reported in the appropriate column on the ~~PAF~~ FNS-209 for the quarter in which the repayment occurred. The amount of the repayment shall be subtracted from the total amount collected.

.85 Returned Coupons (Continued)

.851 The CWD shall require the collection points to complete a FNS-135/ Affidavit for Receipt of Food Coupons as verification for receipt of coupons returned as payment of a claim. The original copy shall accompany the voided coupons to the distribution point/ a copy shall be placed in the client's file/ and a copy shall be submitted to the CWD claim processing office where the ~~PAF~~ FNS-209 is completed/ (Continued)

.86 In cases where FNS has billed the state for a CWD negligence/ any amounts collected from households which were caused by the CWD's negligence will be credited by FNS/

HANDBOOK BEGINS HERE

.86 In cases where FNS has billed CDSS for CWD negligence, FNS will credit any amounts collected from households which were caused by the CWD's negligence.

HANDBOOK ENDS HERE

.9 Accounting Procedures (Continued)

.92 Provide data necessary to ~~accurately~~ complete the status of claims against households report FNS-209. (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2/; 7 CFR 273.18(a), (a)(1)(ii), (a)(2), (c)(1)(ii)/; 7 CFR 273.18(d)(4)(iii)/; 7 CFR 273.18(e)(1)/; 7 CFR 273.18(h)(4)/; 7 CFR 273.18(k)(5)/; and United States Department of Agriculture, Food and Nutrition Service letter WFS-100:FS-10-6-CA, dated October 7, 1991; and Sections 10554 and 18904, Welfare and Institutions Code.

Amend And Renumber Section 63-802 To Read:

63-802 RESTORATION OF LOST BENEFITS

63-802

.1 Entitlement (Continued)

.15 Lost Benefits to Individuals Disqualified for Intentional Program Violation

~~15~~ If the decision which resulted in a disqualification for intentional Program violation is subsequently reversed by a judicial action, that individual is entitled to a restoration of any benefits lost during the months that he/she was disqualified.

.151 The restoration shall not exceed 12 months prior to the date of the CWD's notification of the reversal, except when the individual has participated in an administrative disqualification hearing. The CWD shall consider the individual's prior participation in the administrative disqualification hearing as notification that the household has requested a restoration of lost benefits, and shall restore benefits from the effective date of the notice of action informing the household of the administrative disqualification (DFA 377/7A).

~~152~~ (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 273.17(a)(1) and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-804 To Read:

63-804 STATE HEARINGS (Continued)

63-804

.62 Time Frame for Requesting Continuation of Benefits

A household's request for continuation of benefits shall be considered filed within the appropriate time frame if the hearing request is made within the period specified ~~in Sections 63-804.021 through 1623~~ for the type of notice provided to the household. If the time frame for requesting a hearing and continuation of benefits ends on a weekend or holiday, the request shall be considered timely if it is filed the day after the weekend or holiday.

.621 A household provided a timely notice of ~~change ADPA 377/41~~ action, shall file ~~if~~ their request as specified in Section 22-004 for a hearing prior to the effective date of the proposed reduction or termination of its benefits.

.622 A household provided a concurrent notice of ~~change ADPA 377/41~~ in accordance with action as specified in Section 63-504.26~~3~~4(b), shall file in accordance with as specified in Section 22-004, ~~if~~ their request for a hearing prior to 10 days following the date the CWD mails this notice to the household.

.623 A household provided a notice of action informing the household of a proposed change in benefits ADPA 377/41 or a discontinuance/termination notice ADPA 9801 of a termination of benefits for the nonsubmittal of a complete CA 7, shall file its request prior to the effective date of the termination of its benefits. (Continued)

.64 Changes Pending the Hearing Decision

.641 Any monthly reporting household whose benefits have been continued shall continue to file ~~monthly reports~~ (CA 7s) until the end of its certification period.

.642 Once continued or reinstated, benefits shall not be reduced or terminated prior to the receipt of the official hearing decision, unless any of the following situations ~~specified in Sections 63-804.0421(1)~~ if occur while the hearing decision is pending: (Continued)

(c) A change in household circumstances other than the issue being contested results in a reduction or termination of the household's benefits and the household fails to file a request for a hearing and continuation of benefits after receiving the corresponding notice of ~~change ADPA 377/41~~ action.

(d) (Continued)

(e) A monthly reporting household fails to provide required verification of items on the ~~monthly report~~ (CA 7) resulting in a reduction or termination of benefits, unless this is the issue being contested, and the household fails to file a request for a hearing and continuation of benefits after receiving the corresponding notice of action informing the household of a proposed change in benefits (DFA 377/7) or of a termination of benefits for the discontinuance/termination notice (AA 980) nonsubmittal of a complete CA 7.

(f) A monthly reporting household fails to file a ~~monthly report~~ (CA 7) or fails to file a completed ~~monthly report~~ CA 7 by the extended filing date, resulting in a termination of benefits. and The household does not file a request for a hearing and continuation of benefits after receiving the corresponding discontinuance/termination notice (AA 980) notice of action informing them of a termination of benefits for the nonsubmittal of a complete CA 7.
(Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2 and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-805 To Read:

63-805 INTENTIONAL PROGRAM VIOLATION DISQUALIFICATION (Continued)

63-805

.2 Participation While Awaiting a Hearing

A pending disqualification hearing shall not affect the individual's or the household's right to be certified and participate in the Food Stamp Program. Since the CWD cannot disqualify a household member for intentional Program violation until the hearing official finds that the individual has committed an intentional Program violation, the CWD shall determine the eligibility and benefit level of the household in the same manner it would be determined for any other household.

.21 However/ ~~If~~ The household's benefits shall be terminated if the certification period has expired and the household fails to reapply, after receiving ~~if~~ a ~~Notice of~~ action informing them of the Expiration of their certification period fails to reapply.

.22 The CWD shall also reduce or terminate the household's benefits if it has documentation which substantiates that the household is ineligible or eligible for fewer benefits (even if these facts led to the suspicion of intentional Program violation and the resulting disqualification hearing) and the household fails to request a state hearing and continuation of benefits pending the hearing. (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-900 To Read:

63-900 EMERGENCY FOOD STAMP ASSISTANCE IN DISASTERS (Continued)

63-900

.8 Statistical Reporting on Emergency Coupon Issuances

.81 In every county where emergency coupon issuance has been authorized under the provisions of this section, emergency coupon allotments shall be reported and accounted for in the same manner as other authorized coupon issuances. The CWD shall keep records of such participation separate from regular issuance documents, except for the preparation and verification of the *Food Coupon Book Report (FNS-250)* and the *Monthly Report of Participation and Coupon Issuance (FNS-256)*. Temporary arrangements shall in no way affect the CWD's accountability and liability for issuance of coupons as provided in Sections 63-701 and 63-702.

.82 In addition, the CWD shall report on the *Report of Coupon Issuance for Disaster Relief (FNS-292)* the total number of persons certified for emergency coupon allotments, and the total amount of such allotments. If the original disaster benefit period is extended by FNS, separate FNS-292 reports shall be filed for the original and for the extended disaster benefit periods. The FNS-292 shall be completed and submitted to FNS, through *SSSS CDSS*, as soon as possible after disaster operations are concluded, but no later than the 45th day after the close of the designated disaster period. (Continued)

Authority Cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 271.2; 7 CFR 274.6; and 7 CFR 280.1; and Sections 10554 and 18904, Welfare and Institutions Code.